

COMMITTEE PRINT

**Recommendations for budget reconciliation, as approved by
the Committee on Resources on October 26, 2005**

TITLE VI—COMMITTEE ON RESOURCES

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Subtitle F—Sale and Conveyance of Federal Land

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1 **Subtitle A—Arctic Coastal Plain**

2 **Domestic Energy**

3 **SECTION 6101. SHORT TITLE.**

4 This subtitle may be cited as the “Arctic Coastal

5 Plain Domestic Energy Security Act of 2005”.



1 **SEC. 6102. DEFINITIONS.**

2 In this subtitle:

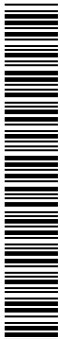
3 (1) COASTAL PLAIN.—The term “Coastal
4 Plain” means that area identified as such in the
5 map entitled “Arctic National Wildlife Refuge”,
6 dated October 21, 2005, comprising approximately
7 1,549,000 acres, and as described in appendix I to
8 part 37 of title 50, Code of Federal Regulations.

9 (2) SECRETARY.—The term “Secretary”, except
10 as otherwise provided, means the Secretary of the
11 Interior or the Secretary’s designee.

12 **SEC. 6103. LEASING PROGRAM FOR LANDS WITHIN THE**
13 **COASTAL PLAIN.**

14 (a) IN GENERAL.—The Secretary shall take such ac-
15 tions as are necessary—

16 (1) to establish and implement, in accordance
17 with this Act and acting through the Director of the
18 Bureau of Land Management in consultation with
19 the Director of the United States Fish and Wildlife
20 Service, a competitive oil and gas leasing program
21 under the Mineral Leasing Act (30 U.S.C. 181 et
22 seq.) that will result in an environmentally sound
23 program for the exploration, development, and pro-
24 duction of the oil and gas resources of the Coastal
25 Plain; and



1 (2) to administer the provisions of this subtitle
2 through regulations, lease terms, conditions, restric-
3 tions, prohibitions, stipulations, and other provisions
4 that ensure the oil and gas exploration, development,
5 and production activities on the Coastal Plain will
6 result in no significant adverse effect on fish and
7 wildlife, their habitat, subsistence resources, and the
8 environment, and including, in furtherance of this
9 goal, by requiring the application of the best com-
10 mercially available technology for oil and gas explo-
11 ration, development, and production to all explo-
12 ration, development, and production operations
13 under this subtitle in a manner that ensures the re-
14 ceipt of fair market value by the public for the min-
15 eral resources to be leased.

16 (b) REPEAL.—Section 1003 of the Alaska National
17 Interest Lands Conservation Act of 1980 (16 U.S.C.
18 3143) is repealed.

19 (c) COMPLIANCE WITH REQUIREMENTS UNDER CER-
20 TAIN OTHER LAWS.—

21 (1) COMPATIBILITY.—For purposes of the Na-
22 tional Wildlife Refuge System Administration Act of
23 1966, the oil and gas leasing program and activities
24 authorized by this section in the Coastal Plain are
25 deemed to be compatible with the purposes for which



1 the Arctic National Wildlife Refuge was established,
2 and that no further findings or decisions are re-
3 quired to implement this determination.

4 (2) ADEQUACY OF THE DEPARTMENT OF THE
5 INTERIOR'S LEGISLATIVE ENVIRONMENTAL IMPACT
6 STATEMENT.—The “Final Legislative Environ-
7 mental Impact Statement” (April 1987) on the
8 Coastal Plain prepared pursuant to section 1002 of
9 the Alaska National Interest Lands Conservation
10 Act of 1980 (16 U.S.C. 3142) and section 102(2)(C)
11 of the National Environmental Policy Act of 1969
12 (42 U.S.C. 4332(2)(C)) is deemed to satisfy the re-
13 quirements under the National Environmental Policy
14 Act of 1969 that apply with respect to prelease ac-
15 tivities, including actions authorized to be taken by
16 the Secretary to develop and promulgate the regula-
17 tions for the establishment of a leasing program au-
18 thorized by this subtitle before the conduct of the
19 first lease sale.

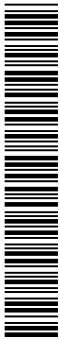
20 (3) COMPLIANCE WITH NEPA FOR OTHER AC-
21 TIONS.—Before conducting the first lease sale under
22 this subtitle, the Secretary shall prepare an environ-
23 mental impact statement under the National Envi-
24 ronmental Policy Act of 1969 with respect to the ac-
25 tions authorized by this subtitle that are not re-



1 ferred to in paragraph (2). Notwithstanding any
2 other law, the Secretary is not required to identify
3 nonleasing alternative courses of action or to analyze
4 the environmental effects of such courses of action.
5 The Secretary shall only identify a preferred action
6 for such leasing and a single leasing alternative, and
7 analyze the environmental effects and potential miti-
8 gation measures for those two alternatives. The
9 identification of the preferred action and related
10 analysis for the first lease sale under this subtitle
11 shall be completed within 18 months after the date
12 of enactment of this Act. The Secretary shall only
13 consider public comments that specifically address
14 the Secretary's preferred action and that are filed
15 within 20 days after publication of an environmental
16 analysis. Notwithstanding any other law, compliance
17 with this paragraph is deemed to satisfy all require-
18 ments for the analysis and consideration of the envi-
19 ronmental effects of proposed leasing under this sub-
20 title.

21 (d) RELATIONSHIP TO STATE AND LOCAL AUTHOR-
22 ITY.—Nothing in this subtitle shall be considered to ex-
23 pand or limit State and local regulatory authority.

24 (e) SPECIAL AREAS.—



1 (1) IN GENERAL.—The Secretary, after con-
2 sultation with the State of Alaska, the city of
3 Kaktovik, and the North Slope Borough, may des-
4 ignate up to a total of 45,000 acres of the Coastal
5 Plain as a Special Area if the Secretary determines
6 that the Special Area is of such unique character
7 and interest so as to require special management
8 and regulatory protection. The Secretary shall des-
9 ignate as such a Special Area the Sadlerochit Spring
10 area, comprising approximately 4,000 acres as de-
11 picted on the map referred to in section 6102(1).

12 (2) MANAGEMENT.—Each such Special Area
13 shall be managed so as to protect and preserve the
14 area's unique and diverse character including its
15 fish, wildlife, and subsistence resource values.

16 (3) EXCLUSION FROM LEASING OR SURFACE
17 OCCUPANCY.—The Secretary may exclude any Spe-
18 cial Area from leasing. If the Secretary leases a Spe-
19 cial Area, or any part thereof, for purposes of oil
20 and gas exploration, development, production, and
21 related activities, there shall be no surface occu-
22 pancy of the lands comprising the Special Area.

23 (4) DIRECTIONAL DRILLING.—Notwithstanding
24 the other provisions of this subsection, the Secretary
25 may lease all or a portion of a Special Area under



1 terms that permit the use of horizontal drilling tech-
2 nology from sites on leases located outside the area.

3 (f) LIMITATION ON CLOSED AREAS.—The Sec-
4 retary's sole authority to close lands within the Coastal
5 Plain to oil and gas leasing and to exploration, develop-
6 ment, and production is that set forth in this subtitle.

7 (g) REGULATIONS.—

8 (1) IN GENERAL.—The Secretary shall pre-
9 scribe such regulations as may be necessary to carry
10 out this subtitle, including rules and regulations re-
11 lating to protection of the fish and wildlife, their
12 habitat, subsistence resources, and environment of
13 the Coastal Plain, by no later than 15 months after
14 the date of enactment of this Act.

15 (2) REVISION OF REGULATIONS.—The Sec-
16 retary shall periodically review and, if appropriate,
17 revise the rules and regulations issued under sub-
18 section (a) to reflect any significant biological, envi-
19 ronmental, or engineering data that come to the Sec-
20 retary's attention.

21 **SEC. 6104. LEASE SALES.**

22 (a) IN GENERAL.—Lands may be leased pursuant to
23 this subtitle to any person qualified to obtain a lease for
24 deposits of oil and gas under the Mineral Leasing Act (30
25 U.S.C. 181 et seq.).



1 (b) PROCEDURES.—The Secretary shall, by regula-
2 tion, establish procedures for—

3 (1) receipt and consideration of sealed nomina-
4 tions for any area in the Coastal Plain for inclusion
5 in, or exclusion (as provided in subsection (c)) from,
6 a lease sale;

7 (2) the holding of lease sales after such nomina-
8 tion process; and

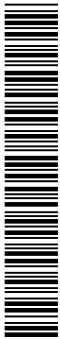
9 (3) public notice of and comment on designa-
10 tion of areas to be included in, or excluded from, a
11 lease sale.

12 (c) LEASE SALE BIDS.—Bidding for leases under
13 this subtitle shall be by sealed competitive cash bonus bids.

14 (d) ACREAGE MINIMUM IN FIRST SALE.—In the first
15 lease sale under this subtitle, the Secretary shall offer for
16 lease those tracts the Secretary considers to have the
17 greatest potential for the discovery of hydrocarbons, tak-
18 ing into consideration nominations received pursuant to
19 subsection (b)(1), but in no case less than 200,000 acres.

20 (e) TIMING OF LEASE SALES.—The Secretary
21 shall—

22 (1) conduct the first lease sale under this sub-
23 title within 22 months after the date of the enact-
24 ment of this Act; and



1 (2) conduct additional sales so long as sufficient
2 interest in development exists to warrant, in the Sec-
3 retary's judgment, the conduct of such sales.

4 **SEC. 6105. GRANT OF LEASES BY THE SECRETARY.**

5 (a) IN GENERAL.—The Secretary may grant to the
6 highest responsible qualified bidder in a lease sale con-
7 ducted pursuant to section 6104 any lands to be leased
8 on the Coastal Plain upon payment by the lessee of such
9 bonus as may be accepted by the Secretary.

10 (b) SUBSEQUENT TRANSFERS.—No lease issued
11 under this subtitle may be sold, exchanged, assigned, sub-
12 let, or otherwise transferred except with the approval of
13 the Secretary. Prior to any such approval the Secretary
14 shall consult with, and give due consideration to the views
15 of, the Attorney General.

16 **SEC. 6106. LEASE TERMS AND CONDITIONS.**

17 (a) IN GENERAL.—An oil or gas lease issued pursu-
18 ant to this subtitle shall—

19 (1) provide for the payment of a royalty of not
20 less than 12½ percent in amount or value of the
21 production removed or sold from the lease, as deter-
22 mined by the Secretary under the regulations appli-
23 cable to other Federal oil and gas leases;

24 (2) provide that the Secretary may close, on a
25 seasonal basis, portions of the Coastal Plain to ex-

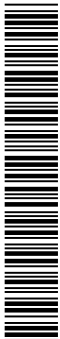


1 ploratory drilling activities as necessary to protect
2 caribou calving areas and other species of fish and
3 wildlife;

4 (3) require that the lessee of lands within the
5 Coastal Plain shall be fully responsible and liable for
6 the reclamation of lands within the Coastal Plain
7 and any other Federal lands that are adversely af-
8 fected in connection with exploration, development,
9 production, or transportation activities conducted
10 under the lease and within the Coastal Plain by the
11 lessee or by any of the subcontractors or agents of
12 the lessee;

13 (4) provide that the lessee may not delegate or
14 convey, by contract or otherwise, the reclamation re-
15 sponsibility and liability to another person without
16 the express written approval of the Secretary;

17 (5) provide that the standard of reclamation for
18 lands required to be reclaimed under this subtitle
19 shall be, as nearly as practicable, a condition capable
20 of supporting the uses which the lands were capable
21 of supporting prior to any exploration, development,
22 or production activities, or upon application by the
23 lessee, to a higher or better use as approved by the
24 Secretary;



1 (6) contain terms and conditions relating to
2 protection of fish and wildlife, their habitat, and the
3 environment as required pursuant to section
4 6103(a)(2);

5 (7) provide that the lessee, its agents, and its
6 contractors use best efforts to provide a fair share,
7 as determined by the level of obligation previously
8 agreed to in the 1974 agreement implementing sec-
9 tion 29 of the Federal Agreement and Grant of
10 Right of Way for the Operation of the Trans-Alaska
11 Pipeline, of employment and contracting for Alaska
12 Natives and Alaska Native Corporations from
13 throughout the State;

14 (8) prohibit the export of oil produced under
15 the lease; and

16 (9) contain such other provisions as the Sec-
17 retary determines necessary to ensure compliance
18 with the provisions of this subtitle and the regula-
19 tions issued under this subtitle.

20 (b) PROJECT LABOR AGREEMENTS.—The Secretary,
21 as a term and condition of each lease under this subtitle
22 and in recognizing the Government's proprietary interest
23 in labor stability and in the ability of construction labor
24 and management to meet the particular needs and condi-
25 tions of projects to be developed under the leases issued



1 pursuant to this subtitle and the special concerns of the
2 parties to such leases, shall require that the lessee and
3 its agents and contractors negotiate to obtain a project
4 labor agreement for the employment of laborers and me-
5 chanics on production, maintenance, and construction
6 under the lease.

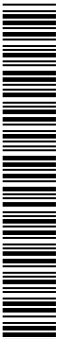
7 **SEC. 6107. COASTAL PLAIN ENVIRONMENTAL PROTECTION.**

8 (a) NO SIGNIFICANT ADVERSE EFFECT STANDARD
9 TO GOVERN AUTHORIZED COASTAL PLAIN ACTIVITIES.—
10 The Secretary shall, consistent with the requirements of
11 section 6103, administer the provisions of this subtitle
12 through regulations, lease terms, conditions, restrictions,
13 prohibitions, stipulations, and other provisions that—

14 (1) ensure the oil and gas exploration, develop-
15 ment, and production activities on the Coastal Plain
16 will result in no significant adverse effect on fish
17 and wildlife, their habitat, and the environment;

18 (2) require the application of the best commer-
19 cially available technology for oil and gas explo-
20 ration, development, and production on all new ex-
21 ploration, development, and production operations;
22 and

23 (3) ensure that the maximum amount of sur-
24 face acreage covered by production and support fa-
25 cilities, including airstrips and any areas covered by



1 gravel berms or piers for support of pipelines, does
2 not exceed 2,000 acres on the Coastal Plain.

3 (b) SITE-SPECIFIC ASSESSMENT AND MITIGATION.—

4 The Secretary shall also require, with respect to any pro-
5 posed drilling and related activities, that—

6 (1) a site-specific analysis be made of the prob-
7 able effects, if any, that the drilling or related activi-
8 ties will have on fish and wildlife, their habitat, and
9 the environment;

10 (2) a plan be implemented to avoid, minimize,
11 and mitigate (in that order and to the extent prac-
12 ticable) any significant adverse effect identified
13 under paragraph (1); and

14 (3) the development of the plan shall occur
15 after consultation with the agency or agencies hav-
16 ing jurisdiction over matters mitigated by the plan.

17 (c) REGULATIONS TO PROTECT COASTAL PLAIN
18 FISH AND WILDLIFE RESOURCES, SUBSISTENCE USERS,
19 AND THE ENVIRONMENT.—Before implementing the leas-
20 ing program authorized by this subtitle, the Secretary
21 shall prepare and promulgate regulations, lease terms,
22 conditions, restrictions, prohibitions, stipulations, and
23 other measures designed to ensure that the activities un-
24 dertaken on the Coastal Plain under this subtitle are con-



1 ducted in a manner consistent with the purposes and envi-
2 ronmental requirements of this subtitle.

3 (d) COMPLIANCE WITH FEDERAL AND STATE ENVI-
4 RONMENTAL LAWS AND OTHER REQUIREMENTS.—The
5 proposed regulations, lease terms, conditions, restrictions,
6 prohibitions, and stipulations for the leasing program
7 under this subtitle shall require compliance with all appli-
8 cable provisions of Federal and State environmental law
9 and shall also require the following:

10 (1) Standards at least as effective as the safety
11 and environmental mitigation measures set forth in
12 items 1 through 29 at pages 167 through 169 of the
13 “Final Legislative Environmental Impact State-
14 ment” (April 1987) on the Coastal Plain.

15 (2) Seasonal limitations on exploration, develop-
16 ment, and related activities, where necessary, to
17 avoid significant adverse effects during periods of
18 concentrated fish and wildlife breeding, denning,
19 nesting, spawning, and migration.

20 (3) That exploration activities, except for sur-
21 face geological studies, be limited to the period be-
22 tween approximately November 1 and May 1 each
23 year and that exploration activities shall be sup-
24 ported, if necessary, by ice roads, winter trails with
25 adequate snow cover, ice pads, ice airstrips, and air



1 transport methods, except that such exploration ac-
2 tivities may occur at other times, if the Secretary
3 finds that such exploration will have no significant
4 adverse effect on the fish and wildlife, their habitat,
5 and the environment of the Coastal Plain.

6 (4) Design safety and construction standards
7 for all pipelines and any access and service roads,
8 that—

9 (A) minimize, to the maximum extent pos-
10 sible, adverse effects upon the passage of mi-
11 gratory species such as caribou; and

12 (B) minimize adverse effects upon the flow
13 of surface water by requiring the use of cul-
14 verts, bridges, and other structural devices.

15 (5) Prohibitions on general public access and
16 use on all pipeline access and service roads.

17 (6) Stringent reclamation and rehabilitation re-
18 quirements, consistent with the standards set forth
19 in this subtitle, requiring the removal from the
20 Coastal Plain of all oil and gas development and
21 production facilities, structures, and equipment upon
22 completion of oil and gas production operations, ex-
23 cept that the Secretary may exempt from the re-
24 quirements of this paragraph those facilities, struc-
25 tures, or equipment that the Secretary determines



1 would assist in the management of the Arctic Na-
2 tional Wildlife Refuge and that are donated to the
3 United States for that purpose.

4 (7) Appropriate prohibitions or restrictions on
5 access by all modes of transportation.

6 (8) Appropriate prohibitions or restrictions on
7 sand and gravel extraction.

8 (9) Consolidation of facility siting.

9 (10) Appropriate prohibitions or restrictions on
10 use of explosives.

11 (11) Avoidance, to the extent practicable, of
12 springs, streams, and river system; the protection of
13 natural surface drainage patterns, wetlands, and ri-
14 parian habitats; and the regulation of methods or
15 techniques for developing or transporting adequate
16 supplies of water for exploratory drilling.

17 (12) Avoidance or reduction of air traffic-re-
18 lated disturbance to fish and wildlife.

19 (13) Treatment and disposal of hazardous and
20 toxic wastes, solid wastes, reserve pit fluids, drilling
21 muds and cuttings, and domestic wastewater, includ-
22 ing an annual waste management report, a haz-
23 ardous materials tracking system, and a prohibition
24 on chlorinated solvents, in accordance with applica-
25 ble Federal and State environmental law.



1 (14) Fuel storage and oil spill contingency plan-
2 ning.

3 (15) Research, monitoring, and reporting re-
4 quirements.

5 (16) Field crew environmental briefings.

6 (17) Avoidance of significant adverse effects
7 upon subsistence hunting, fishing, and trapping by
8 subsistence users.

9 (18) Compliance with applicable air and water
10 quality standards.

11 (19) Appropriate seasonal and safety zone des-
12 ignations around well sites, within which subsistence
13 hunting and trapping shall be limited.

14 (20) Reasonable stipulations for protection of
15 cultural and archeological resources.

16 (21) All other protective environmental stipula-
17 tions, restrictions, terms, and conditions deemed
18 necessary by the Secretary.

19 (e) CONSIDERATIONS.—In preparing and promul-
20 gating regulations, lease terms, conditions, restrictions,
21 prohibitions, and stipulations under this section, the Sec-
22 retary shall consider the following:

23 (1) The stipulations and conditions that govern
24 the National Petroleum Reserve-Alaska leasing pro-
25 gram, as set forth in the 1999 Northeast National



1 Petroleum Reserve-Alaska Final Integrated Activity
2 Plan/Environmental Impact Statement.

3 (2) The environmental protection standards
4 that governed the initial Coastal Plain seismic explo-
5 ration program under parts 37.31 to 37.33 of title
6 50, Code of Federal Regulations.

7 (3) The land use stipulations for exploratory
8 drilling on the KIC-ASRC private lands that are set
9 forth in Appendix 2 of the August 9, 1983, agree-
10 ment between Arctic Slope Regional Corporation and
11 the United States.

12 (f) FACILITY CONSOLIDATION PLANNING.—

13 (1) IN GENERAL.—The Secretary shall, after
14 providing for public notice and comment, prepare
15 and update periodically a plan to govern, guide, and
16 direct the siting and construction of facilities for the
17 exploration, development, production, and transpor-
18 tation of Coastal Plain oil and gas resources.

19 (2) OBJECTIVES.—The plan shall have the fol-
20 lowing objectives:

21 (A) Avoiding unnecessary duplication of fa-
22 cilities and activities.

23 (B) Encouraging consolidation of common
24 facilities and activities.



1 (C) Locating or confining facilities and ac-
2 tivities to areas that will minimize impact on
3 fish and wildlife, their habitat, and the environ-
4 ment.

5 (D) Utilizing existing facilities wherever
6 practicable.

7 (E) Enhancing compatibility between wild-
8 life values and development activities.

9 (g) ACCESS TO PUBLIC LANDS.—The Secretary
10 shall—

11 (1) manage public lands in the Coastal Plain
12 subject to subsections (a) and (b) of section 811 of
13 the Alaska National Interest Lands Conservation
14 Act (16 U.S.C. 3121); and

15 (2) ensure that local residents shall have rea-
16 sonable access to public lands in the Coastal Plain
17 for traditional uses.

18 **SEC. 6108. EXPEDITED JUDICIAL REVIEW.**

19 (a) FILING OF COMPLAINT.—

20 (1) DEADLINE.—Subject to paragraph (2), any
21 complaint seeking judicial review of any provision of
22 this subtitle or any action of the Secretary under
23 this subtitle shall be filed in any appropriate district
24 court of the United States—

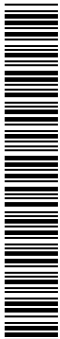


1 (A) except as provided in subparagraph
2 (B), within the 90-day period beginning on the
3 date of the action being challenged; or

4 (B) in the case of a complaint based solely
5 on grounds arising after such period, within 90
6 days after the complainant knew or reasonably
7 should have known of the grounds for the com-
8 plaint.

9 (2) VENUE.—Any complaint seeking judicial re-
10 view of an action of the Secretary under this subtitle
11 may be filed only in the United States Court of Ap-
12 peals for the District of Columbia.

13 (3) LIMITATION ON SCOPE OF CERTAIN RE-
14 VIEW.—Judicial review of a Secretarial decision to
15 conduct a lease sale under this subtitle, including
16 the environmental analysis thereof, shall be limited
17 to whether the Secretary has complied with the
18 terms of this subtitle and shall be based upon the
19 administrative record of that decision. The Sec-
20 retary's identification of a preferred course of action
21 to enable leasing to proceed and the Secretary's
22 analysis of environmental effects under this subtitle
23 shall be presumed to be correct unless shown other-
24 wise by clear and convincing evidence to the con-
25 trary.



1 (b) LIMITATION ON OTHER REVIEW.—Actions of the
2 Secretary with respect to which review could have been
3 obtained under this section shall not be subject to judicial
4 review in any civil or criminal proceeding for enforcement.

5 **SEC. 6109. FEDERAL AND STATE DISTRIBUTION OF REVE-**
6 **NUES.**

7 (a) IN GENERAL.—Notwithstanding any other provi-
8 sion of law, of the amount of adjusted bonus, rental, and
9 royalty revenues from oil and gas leasing and operations
10 authorized under this subtitle—

11 (1) 50 percent shall be paid to the State of
12 Alaska; and

13 (2) except as provided in section 6112(d) the
14 balance shall be deposited into the Treasury as mis-
15 cellaneous receipts.

16 (b) PAYMENTS TO ALASKA.—Payments to the State
17 of Alaska under this section shall be made semiannually.

18 **SEC. 6110. RIGHTS-OF-WAY ACROSS THE COASTAL PLAIN.**

19 (a) EXEMPTION.—Title XI of the Alaska National In-
20 terest Lands Conservation Act of 1980 (16 U.S.C. 3161
21 et seq.) shall not apply to the issuance by the Secretary
22 under section 28 of the Mineral Leasing Act (30 U.S.C.
23 185) of rights-of-way and easements across the Coastal
24 Plain for the transportation of oil and gas.



1 (b) TERMS AND CONDITIONS.—The Secretary shall
2 include in any right-of-way or easement referred to in sub-
3 section (a) such terms and conditions as may be necessary
4 to ensure that transportation of oil and gas does not result
5 in a significant adverse effect on the fish and wildlife, sub-
6 sistence resources, their habitat, and the environment of
7 the Coastal Plain, including requirements that facilities be
8 sited or designed so as to avoid unnecessary duplication
9 of roads and pipelines.

10 (c) REGULATIONS.—The Secretary shall include in
11 regulations under section 6103(g) provisions granting
12 rights-of-way and easements described in subsection (a)
13 of this section.

14 **SEC. 6111. CONVEYANCE.**

15 In order to maximize Federal revenues by removing
16 clouds on title to lands and clarifying land ownership pat-
17 terns within the Coastal Plain, the Secretary, notwith-
18 standing the provisions of section 1302(h)(2) of the Alas-
19 ka National Interest Lands Conservation Act (16 U.S.C.
20 3192(h)(2)), shall convey—

21 (1) to the Kaktovik Inupiat Corporation the
22 surface estate of the lands described in paragraph 1
23 of Public Land Order 6959, to the extent necessary
24 to fulfill the Corporation's entitlement under section
25 12 of the Alaska Native Claims Settlement Act (43



1 U.S.C. 1611) in accordance with the terms and con-
2 ditions of the Agreement between the Department of
3 the Interior, the United States Fish and Wildlife
4 Service, the Bureau of Land Management, and the
5 Kaktovik Inupiat Corporation effective January 22,
6 1993; and

7 (2) to the Arctic Slope Regional Corporation
8 the remaining subsurface estate to which it is enti-
9 tled pursuant to the August 9, 1983, agreement be-
10 tween the Arctic Slope Regional Corporation and the
11 United States of America.

12 **SEC. 6112. LOCAL GOVERNMENT IMPACT AID AND COMMU-**
13 **NITY SERVICE ASSISTANCE.**

14 (a) **FINANCIAL ASSISTANCE AUTHORIZED.—**

15 (1) **IN GENERAL.—**The Secretary may use
16 amounts available from the Coastal Plain Local Gov-
17 ernment Impact Aid Assistance Fund established by
18 subsection (d) to provide timely financial assistance
19 to entities that are eligible under paragraph (2) and
20 that are directly impacted by the exploration for or
21 production of oil and gas on the Coastal Plain under
22 this subtitle.

23 (2) **ELIGIBLE ENTITIES.—**The North Slope
24 Borough, Kaktovik, and other boroughs, municipal
25 subdivisions, villages, and any other community or-



1 organized under Alaska State law shall be eligible for
2 financial assistance under this section.

3 (b) USE OF ASSISTANCE.—Financial assistance
4 under this section may be used only for—

5 (1) planning for mitigation of the potential ef-
6 fects of oil and gas exploration and development on
7 environmental, social, cultural, recreational and sub-
8 sistence values;

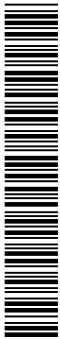
9 (2) implementing mitigation plans and main-
10 taining mitigation projects;

11 (3) developing, carrying out, and maintaining
12 projects and programs that provide new or expanded
13 public facilities and services to address needs and
14 problems associated with such effects, including fire-
15 fighting, police, water, waste treatment, medivac,
16 and medical services; and

17 (4) establishment of a coordination office, by
18 the North Slope Borough, in the City of Kaktovik,
19 which shall—

20 (A) coordinate with and advise developers
21 on local conditions, impact, and history of the
22 areas utilized for development; and

23 (B) provide to the Committee on Resources
24 of the House of Representatives and the Com-
25 mittee on Energy and Resources of the Senate



1 an annual report on the status of coordination
2 between developers and the communities af-
3 fected by development.

4 (c) APPLICATION.—

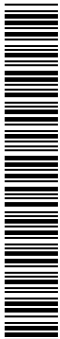
5 (1) IN GENERAL.—Any community that is eligi-
6 ble for assistance under this section may submit an
7 application for such assistance to the Secretary, in
8 such form and under such procedures as the Sec-
9 retary may prescribe by regulation.

10 (2) NORTH SLOPE BOROUGH COMMUNITIES.—A
11 community located in the North Slope Borough may
12 apply for assistance under this section either directly
13 to the Secretary or through the North Slope Bor-
14 ough.

15 (3) APPLICATION ASSISTANCE.—The Secretary
16 shall work closely with and assist the North Slope
17 Borough and other communities eligible for assist-
18 ance under this section in developing and submitting
19 applications for assistance under this section.

20 (d) ESTABLISHMENT OF FUND.—

21 (1) IN GENERAL.—There is established in the
22 Treasury the Coastal Plain Local Government Im-
23 pact Aid Assistance Fund.



1 (2) USE.—Amounts in the fund may be used
2 only for providing financial assistance under this
3 section.

4 (3) DEPOSITS.—Subject to paragraph (4), there
5 shall be deposited into the fund amounts received by
6 the United States as revenues derived from rents,
7 bonuses, and royalties under leases and lease sales
8 authorized under this subtitle.

9 (4) LIMITATION ON DEPOSITS.—The total
10 amount in the fund may not exceed \$11,000,000.

11 (5) INVESTMENT OF BALANCES.—The Sec-
12 retary of the Treasury shall invest amounts in the
13 fund in interest bearing government securities.

14 (e) AUTHORIZATION OF APPROPRIATIONS.—To pro-
15 vide financial assistance under this section there is author-
16 ized to be appropriated to the Secretary from the Coastal
17 Plain Local Government Impact Aid Assistance Fund
18 \$5,000,000 for each fiscal year.

19 **Subtitle B—Miscellaneous**
20 **Amendments Relating to Mining**

21 **SEC. 6201. FEES FOR RECORDATION AND LOCATION OF**
22 **MINING CLAIMS.**

23 (a) DIMENSIONS OF MINING CLAIMS.—Section 2320
24 of the Revised Statutes (30 U.S.C. 23) is amended by
25 striking the second and third sentences and inserting the



1 following: “A mining claim located after May 10, 1872,
2 whether located by one or more persons, and including a
3 claim located before exposure of the vein or lode, may
4 equal, but shall not exceed, 1,500 feet in length along the
5 vein or lode, and shall extend no more than 300 feet on
6 each side of the middle of the vein at the surface, nor
7 shall any claim be limited by any mining regulation to less
8 than 25 feet on each side of the middle of the vein at
9 the surface, except where adverse rights existing on May
10 10, 1872, render such limitation necessary.”.

11 (b) RIGHTS SECURED BY CLAIM MAINTENANCE
12 FEES.—Section 2322 of the Revised Statutes (30 U.S.C.
13 26) is amended by inserting “(a) RIGHTS OF LOCATORS,
14 GENERALLY.—” before the first sentence, and by adding
15 at the end the following:

16 “(b) RIGHTS SECURED BY MAINTENANCE FEES.—
17 Prior to issuance of a patent, timely payment of the claim
18 maintenance fee secures the rights of the holder of a min-
19 ing claim, mill site, or tunnel site, both prior to and after
20 discovery of valuable mineral deposits, to use and occupy
21 public lands under the provisions of the general mining
22 law of the United States (as that term is defined in section
23 2324 of the Revised Statutes) for mineral prospecting, ex-
24 ploration, development, mining, milling, and processing of
25 minerals, reclamation of the claimed lands, and uses rea-



1 sonably incident thereto. Except for the location fee and
2 the maintenance fees in section 2324 of the Revised Stat-
3 utes (30 U.S.C. 28), and the patent prices in sections
4 2325, 2326, 2333, and 2337 of the Revised Statutes (30
5 U.S.C. 29, 30, 37, and 42), no other fees or fair market
6 value assessments shall be applied to prospecting, explo-
7 ration, development, mining, processing, or reclamation,
8 and uses reasonably incident thereto.”.

9 (c) PATENT REQUIREMENTS.—Section 2325 of the
10 Revised Statutes (30 U.S.C. 29) is amended—

11 (1) in the second sentence by striking “, or at
12 any time” and inserting “shall include a processing
13 fee of \$2,500 for the first claim or site, and \$50 for
14 each additional claim contained therein, and at any
15 time”; and

16 (2) in the fourth sentence by inserting “and if
17 the applicant has complied with the law of dis-
18 covery” after “publication”.

19 (d) MINING DISTRICT REGULATIONS BY MINERS.—
20 Section 2324 of the Revised Statutes (30 U.S.C. 28) is
21 amended to read as follows:

22 “SEC. 2324. (a) AUTHORITY TO MAKE REGULA-
23 TIONS.—The miners of each mining district may make
24 regulations not in conflict with the laws of the United
25 States, or with the laws of the State or Territory in which

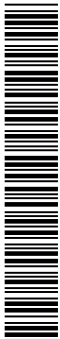


1 the district is situated, governing the location, manner of
2 recording, amount of work necessary to hold possession
3 of a mining claim, subject to the following requirements:

4 “(1) The location must be distinctly marked on
5 the ground so that its boundaries can be readily
6 traced.

7 “(2) All records of mining claims made after
8 May 10, 1872, shall contain the name or names of
9 the locators, the date of the location, and such a de-
10 scription of the claim or claims located by reference
11 to some natural object or permanent monument as
12 will identify the claim.

13 “(b) RECORDATION OF MINING CLAIMS AND ABAN-
14 DONMENT.—The locator of an unpatented lode or placer
15 mining claim, mill site, or tunnel site located after October
16 21, 1976, pursuant to the general mining law of the
17 United States shall, within 90 days after the date of loca-
18 tion of such claim, file in the office designated by the Sec-
19 retary of the Interior a copy of the official record of the
20 notice of location or certificate of location, including a de-
21 scription of the location of the mining claim or mill or
22 tunnel site sufficient to locate the claimed lands on the
23 ground. The failure to file such instruments as required
24 by this subsection is deemed conclusively to constitute an
25 abandonment of the mining claim, mill site, or tunnel site



1 by the owner. Such recordation by itself shall not render
2 valid any claim that would not be otherwise valid under
3 applicable law.

4 “(c) LOCATION FEE.—Notwithstanding any other
5 provision of law, for every mining claim, mill site, or tun-
6 nel site located after the date of the enactment of this
7 subsection pursuant to the general mining law of the
8 United States, the locator shall, at the time the location
9 notice is recorded pursuant to subsection (b), pay a loca-
10 tion fee of \$100 per claim. This fee shall be in addition
11 to the first year’s claim maintenance fee required by sub-
12 section (d). Payment of the location fee required by this
13 subsection and the maintenance fee required by subsection
14 (d) secures to the locator the right to use and occupy the
15 public lands for purposes of the general mining law of the
16 United States.

17 “(d) SCHEDULE OF CLAIM MAINTENANCE FEES.—
18 (1) The holder of each unpatented mining claim, mill site,
19 or tunnel site located pursuant to the general mining law
20 of the United States on or after the date of the enactment
21 of this subsection shall pay to the Secretary of the Inte-
22 rior, on or before September 1 of each year, a claim main-
23 tenance fee per claim. Except as provided in paragraph
24 (2), such claim maintenance fee shall be paid in the fol-
25 lowing amounts:



1 “(A) \$35 per claim for each of the first through
2 fifth maintenance years, beginning with the year the
3 claim was recorded.

4 “(B) \$70 per claim for each of the sixth
5 through tenth maintenance years.

6 “(C) \$125 per claim for each of the eleventh
7 through fifteenth maintenance years.

8 “(D) \$150 per claim for the sixteenth maintenance
9 year and each year thereafter.

10 “(2) Notwithstanding any other provision of law, for
11 each unpatented mining claim located after the date of
12 enactment of this subsection pursuant to the general mining
13 law of the United States from which minerals are produced,
14 and in lieu of the fee otherwise required by paragraph (1),
15 the holder shall pay to the Secretary of the
16 Interior an annual maintenance fee of \$200 per claim.

17 “(3) The holder of each unpatented mining claim,
18 mill site, or tunnel site located pursuant to the general
19 mining law of the United States before the date of enactment
20 of this subsection shall pay to the Secretary of the
21 Interior for such claim—

22 “(A) except as provided in subparagraph (B),
23 the claim maintenance fee that applied before such
24 date of enactment; or



1 “(B) the claim maintenance fee that applies
2 under paragraph (1) or (2), based on the number of
3 years since the original location of the claim, if be-
4 fore the date the payment is due the claim holder—

5 “(i) notifies the Secretary; and

6 “(ii) pays to the Secretary a transfer fee of
7 \$100.

8 “(e) ADJUSTMENT OF CLAIM MAINTENANCE
9 FEES.—Claim maintenance fees under subsection (d)
10 shall not be subject to adjustment.

11 “(f) WORK REQUIREMENT.—(1) The holder of each
12 unpatented mining claim, mill site, or tunnel site located
13 pursuant to the general mining law of the United States
14 after the date of enactment of this subsection, and any
15 holder of a claim that has transferred such claim to the
16 claim maintenance fee schedule under subsection (d), shall
17 conduct physical evaluation and development of the claim
18 or of any contiguous block of claims of which the claim
19 is a part. Exploration and mining activities conducted pur-
20 suant to a notice, approved plan of operations, or, in the
21 case of split estate lands, a comparable State or county
22 notice or approval, demonstrates compliance with this sec-
23 tion.

24 “(2) If physical evaluation of the claim is not carried
25 out in accordance with paragraph (1) before the end of



1 the fifth, tenth, or fifteenth maintenance year (beginning
2 with the maintenance year in which the claim is filed),
3 respectively, the claim holder shall be required to pay in
4 the next maintenance year the location fee described in
5 subsection (c), in addition to the annual claim mainte-
6 nance fee required to be paid for the next maintenance
7 year.

8 “(g) WAIVER OF CLAIM MAINTENANCE FEE AD-
9 JUSTMENTS AND WORK REQUIREMENT.—If a delay in
10 meeting the work requirements under subsection (f) is the
11 result of pending administrative proceedings, rights-of-
12 way disputes, or litigation concerning issuance or validity
13 of any permit or authorization required under Federal,
14 State, or local law for physical evaluation and development
15 of the claim—

16 “(1) any increase in the claim maintenance fee
17 that would otherwise apply under subsection (d) and
18 the work requirements under subsection (f) shall be
19 suspended for the claim; and

20 “(2) claim maintenance fees required to be paid
21 each year for the claim shall be the same as the fee
22 that applied for the year in which the delay first oc-
23 curred, and no additional location fee will be owed.

24 “(h) TIME OF PAYMENT.—The claim maintenance
25 fee required under subsection (d) for any maintenance



1 year shall be paid before the commencement of the maintenance year, except that, for the maintenance year in which the location is made the locator shall pay the claim maintenance fee and the location fee imposed under subsection (c) at the time the location notice is recorded with the Bureau of Land Management. The Director of the Bureau of Land Management, after consultation with the Governor of Alaska and by not later than 1 year after the date of enactment of this subsection, may establish a claim maintenance fee filing date for Alaska claim holders that is not later than 60 days after September 1.

12 “(i) SMALL MINER CLAIM MAINTENANCE FEE.—(1)
13 In the case of a claim for which the holder certifies in
14 writing to the Secretary that, on the date the payment
15 of any claim maintenance fee under this section was due,
16 the claim holder and all related parties held not more than
17 10 mining claims, mill sites, or tunnel sites, or any combination thereof, on public lands—

19 “(A) the claim maintenance fee shall be
20 \$25 per claim per year for the life of the claim
21 or site held by the claim holder; and

22 “(B) subsection (f) shall not apply.

23 “(2) In this subsection:

24 “(A) With respect to any claim holder, the term
25 ‘related party’ means—



1 “(i) the spouse and dependent children (as
2 defined in section 152 of the Internal Revenue
3 Code of 1986 (26 U.S.C. 152), as in effect on
4 the date of the enactment of this paragraph of
5 the claim holder; and

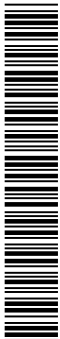
6 “(ii) a person who controls, is controlled
7 by, or is under common control with the claim
8 holder.

9 “(B) The terms ‘control’, ‘controls’, and ‘con-
10 trolled’ include actual control, legal control, and the
11 power to exercise control, through or by common di-
12 rectors, officers, stockholders, a voting trust, or a
13 holding company or investment company, or any
14 other means.

15 “(j) FAILURE TO PAY.—(1) Failure to pay a claim
16 maintenance fee or a location fee for an unpatented min-
17 ing claim as required by this section shall subject an
18 unpatented mining claim, mill site, or tunnel site to for-
19 feiture by the claim holder as provided in this subsection.

20 “(2) The Secretary of the Interior shall provide the
21 claim holder with notice of the failure and the opportunity
22 to cure within 45 calendar days after the claim holder’s
23 receipt of the notice.

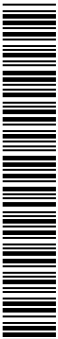
24 “(3) The claim holder must, within such 45-day pe-
25 riod, pay twice the amount of maintenance fee that would



1 otherwise have been required to be timely paid. The Sec-
2 retary of the Interior shall specify the amount that must
3 be paid in the notice under paragraph (2).

4 “(4) Failure by the claim holder to make a timely
5 and proper payment in the amount specified in the notice
6 by the Secretary of the Interior, within 45 days after the
7 claim holder’s receipt of the notice, shall constitute a for-
8 feiture of the mining claim, mill site, or tunnel site by the
9 claim holder by operation of law.

10 “(k) FAILURE OF CO-OWNER TO CONTRIBUTE.—
11 Upon the failure of any one of several co-owners of a claim
12 to contribute the co-owner’s proportion of any claim main-
13 tenance fee required by this section, the co-owners who
14 have paid the claim maintenance fee, at the expiration of
15 the year in which any unpaid amount was due, may give
16 such delinquent co-owner personal notice in writing or no-
17 tice by publication in the newspaper of record for the
18 county in which the land that is subject to the claim or
19 mill site is located, at least once a week for 90 days. If
20 at the expiration of such 90-day period such delinquent
21 co-owner fails or refuses to contribute the co-owner’s pro-
22 portion of the claim maintenance fee required by this sec-
23 tion, the co-owner’s interest in the claim shall become the
24 property of the other co-owners who have paid the claim
25 maintenance fee. The co-owners who have assumed the in-



1 terest in the claims shall notify the Secretary of the Inte-
2 rior within 30 days of the assumption.

3 “(l) OIL SHALE CLAIMS SUBJECT TO CLAIM MAIN-
4 TENANCE FEES UNDER ENERGY POLICY ACT OF 1992.—
5 This section shall not apply to any oil shale claim for
6 which a fee is required to be paid under section 2511(e)(2)
7 of the Energy Policy Act of 1992 (30 U.S.C. 242).

8 “(m) GENERAL MINING LAW OF THE UNITED
9 STATES DEFINED; RULE OF CONSTRUCTION.—(1) In this
10 section the term ‘general mining law of the United States’
11 means the provisions of law codified in chapters 2, 12,
12 12A, 15, and 16 of title 30, United States Code, and in
13 sections 161 and 162 of such title.

14 “(2) Subsections (b) and (c) shall be construed in ac-
15 cordance with judicial decisions under section 314 of the
16 Federal Land Policy and Management Act of 1976, as in
17 effect before the enactment of those subsections.”.

18 (e) CONFORMING AMENDMENTS.—

19 (1) The Federal Land Policy and Management
20 Act of 1976 is amended—

21 (A) by striking section 314 (43 U.S.C.
22 1744);

23 (B) in the table of contents preceding title
24 I by striking the item relating to section 314;
25 and



1 (C) in section 302(a) by striking “section
2 314, section 603,” and inserting “section 603”.

3 (2) Section 22 of the Alaska Native Claims Set-
4 tlement Act is amended by striking “and section 314
5 of the Federal Land Policy and Management Act of
6 1976 (43 U.S.C. 1744)”.

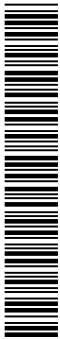
7 (3) Section 31(f) of the Mineral Leasing Act
8 (30 U.S.C. 188(f)) is amended by striking “section
9 314 of the Federal Land Policy and Management
10 Act of 1976 (43 U.S.C. 1744)” and inserting “sub-
11 sections (b) and (c) of section 2320 of the Revised
12 Statutes (30 U.S.C. 23)”.

13 (4) Section 2511(e) of the Energy Policy Act of
14 1992 (30 U.S.C. 242(e)) is amended by striking the
15 last sentence.

16 **SEC. 6202. PATENTS FOR MINING OR MILL SITE CLAIMS.**

17 (a) REPEAL OF LIMITATION ON USE OF FUNDS FOR
18 APPLICATIONS FOR PATENT.—Section 408(a) of the De-
19 partment of the Interior, Environment, and Related Agen-
20 cies Appropriations Act, 2006 (Public Law 109–54) is re-
21 pealed.

22 (b) PAYMENT AMOUNTS.—The Revised Statutes are
23 amended—



1 (1) in section 2325 (30 U.S.C. 29) by striking
2 “five dollars per acre” and inserting “\$1,000 per
3 acre or fair market value, whichever is greater”;

4 (2) in section 2326 (30 U.S.C. 30) by striking
5 “five dollars per acre” and inserting “\$1,000 per
6 acre or fair market value, whichever is greater.”;

7 (3) in section 2333 (30 U.S.C. 37)—

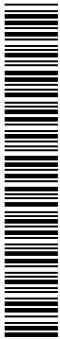
8 (A) by striking “five dollars per acre” and
9 inserting “\$1,000 per acre or fair market value,
10 whichever is greater.”; and

11 (B) by striking “two dollars and fifty cents
12 per acre” and inserting “\$1,000 per acre or fair
13 market value, whichever is greater”;

14 (4) in section 2337 (30 U.S.C. 42)—

15 (A) in subsection (a) by striking “made at
16 the same rate” and all that follows through the
17 end of that sentence and inserting “at the rate
18 of \$1,000 per acre or fair market value, which-
19 ever is greater.”; and

20 (B) in subsection (b) by striking “made at
21 the rate” and all that follows through the end
22 of that sentence and inserting “at the rate of
23 \$1,000 per acre or fair market value, whichever
24 is greater.”; and



1 (5) in section 2325 (30 U.S.C. 29) by adding
2 at the end the following: “For purposes of this sec-
3 tion and sections 2326, 2333, and 2337 of the Re-
4 vised Statutes, fair market value for the patenting
5 of mining claims or mill sites shall be determined by
6 appraisals prepared by an appraiser certified or
7 qualified under applicable professional criteria or
8 State law, in accordance with the Uniform Appraisal
9 Standards for Federal Land Acquisitions and the
10 Uniform Standards of Professional Appraisal Prac-
11 tice, submitted by the applicant for a patent to the
12 Secretary of the Interior upon application for patent,
13 that is completed within 120 days prior to submis-
14 sion of the application for patent.”.

15 (c) MINERAL DEVELOPMENT WORK REQUIRE-
16 MENTS.—Section 2325 of the Revised Statutes (30 U.S.C.
17 29) is amended—

18 (1) by striking “five hundred dollars’ ” and in-
19 serting “\$7,500”; and

20 (2) by striking “labor has been expended” and
21 inserting “mineral development work has been per-
22 formed”.

23 (d) PATENT APPLICANTS IN LIMBO.—If the holder
24 of an unpatented mining claim or mill site submitted an
25 application for a mineral patent and paid the patent serv-



1 ice charges required by regulation at the time the applica-
2 tion was submitted, and the Secretary of the Interior did
3 not complete all actions to process the application before
4 April 26, 1996, the holder of such claim may, at the hold-
5 er's election, have such application processed under rules
6 that applied before the date of the enactment of this Act.

7 (e) ALTERNATIVE VALUABLE MINERAL DEPOSIT
8 CRITERIA.—Section 2325 of the Revised Statutes is fur-
9 ther amended by inserting “(a) MANNER FOR OBTAINING
10 PATENT, GENERALLY.—” before the first sentence, and
11 by adding at the end the following:

12 “(b) ALTERNATIVE VALUABLE MINERAL DEPOSIT
13 CRITERIA.—

14 “(1) CLAIMS SUBJECT TO ONGOING ACTIVI-
15 TIES.—The holder of an unpatented mining claim or
16 mill site who is conducting mining activities that
17 meet the definition of a mine under section 3(h) of
18 the Federal Mine Safety and Health Act of 1972
19 (30 U.S.C. 802(h)) and whose activities with respect
20 to that claim or site are described in section 4 of
21 such Act (30 U.S.C. 803) may receive a patent for
22 any unpatented mining claims on which mining ac-
23 tivities are occurring or any mill sites, within the
24 boundaries of an approved plan of operations or a
25 comparable State or county approval. Upon con-



1 firmation by the Secretary that minerals being
2 mined are locatable in accordance with Federal law
3 and that actual sales of minerals have taken place,
4 all Federal lands within those boundaries are eligible
5 for patent upon compliance with this section and
6 sections 2327 and 2329 of the Revised Statutes (30
7 U.S.C. 34, 35).

8 “(2) DISCLOSED CLAIMS AND MILL SITES.—
9 The holder of an unpatented mining claim or mill
10 site whose proven and probable reserves are publicly
11 disclosed in compliance with the Securities Act of
12 1933 (15 U.S.C. 77a) or the Securities Exchange
13 Act of 1934 (15 U.S.C. 78a) may receive a patent
14 for any such unpatented mining claim containing
15 such reserves or for any mill site within the bound-
16 aries of a plan of operations or a comparable State
17 or county approval for such reserves. All Federal
18 lands within those boundaries are eligible for patent
19 upon compliance with this section and sections 2327
20 and 2329 of the Revised Statutes (30 U.S.C. 34,
21 35).

22 “(c) MINERAL EXAMINATIONS.—

23 “(1) IN GENERAL.—In order to process patent
24 applications in a timely and responsible manner,
25 upon the request of a patent applicant, the Sec-



1 retary of the Interior shall allow the applicant to
2 fund a qualified third-party examiner from a list
3 maintained by the Bureau of Land Management to
4 conduct a mineral examination of the mining claims
5 or mill sites contained in a patent application as set
6 forth in this section and sections 2333 and 2337 of
7 the Revised Statutes (30 U.S.C. 37, 42). The Bu-
8 reau of Land Management shall have the sole re-
9 sponsibility to maintain the list of qualified third-
10 party examiners.

11 “(2) TRAINING.—The Director of the Bureau
12 of Land Management shall provide training in the
13 conduct of mineral examinations to qualified individ-
14 uals. The Director may charge fees to cover the
15 costs of the training.

16 “(3) QUALIFIED THIRD-PARTY EXAMINER DE-
17 FINED.—In this subsection the term ‘qualified third-
18 party examiner’ means a person who is a registered
19 geologist or registered professional mining engineer
20 licensed to practice within the State in which the
21 claims are located.

22 “(d) DISPOSITION OF PROCEEDS.—The gross pro-
23 ceeds of conveyances of land under this section and sec-
24 tions 2319, 2330, 2332, 2333, and 2337 of the Revised



1 Statutes (30 U.S.C. 22, 36, 37, 38, 42) shall be used as
2 follows:

3 “(1) 10 percent shall be deposited into the Fed-
4 eral Energy and Mineral Resource Professional De-
5 velopment Fund.

6 “(2) 20 percent shall be available to the Sec-
7 retary of the Army for use, through the Corps of
8 Engineers, for the Restoration of Abandoned Mine
9 Sites Program and section 560 of the Water Re-
10 sources Development Act of 1999.

11 “(3) 70 percent shall be deposited into the Gen-
12 eral Fund of the Treasury.

13 “(e) ISSUING PATENTS.—If no adverse claim has
14 been filed with the register and the receiver of the proper
15 land office at the expiration of the 60-day period begin-
16 ning on the date of publication of the notice that an appli-
17 cation for mineral patent has been filed under section
18 2325, 2333 and 2337 of the Revised Statutes (30 U.S.C.
19 29, 37, 42), the Secretary shall issue the patent not later
20 than 24 months after the date on which the application
21 for patent was filed.

22 “(f) SMALL MINER PATENT ADJUDICATION AND
23 MINERAL DEVELOPMENT WORK REQUIREMENTS.—The
24 holder of 10 claims or less who applies for a mineral pat-
25 ent under this section or a direct purchase under section



1 2319 of the Revised Statutes (30 U.S.C. 22) shall pay
2 one-fifth of the processing fees and perform one-fifth of
3 the mineral development work required under this section
4 and section 2319 (30 U.S.C. 22).”.

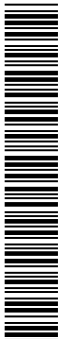
5 **SEC. 6203. MINERAL EXAMINATIONS FOR MINING ON CER-**
6 **TAIN LANDS.**

7 Section 302 of the Federal Land Policy and Manage-
8 ment Act of 1976 (43 U.S.C. 1732) is amended by adding
9 at the end the following:

10 “(e) The Secretary shall not require a mineral exam-
11 ination report, otherwise required to be prepared under
12 regulations promulgated pursuant to this Act, to approve
13 a plan of operations under such regulations for mining
14 claims and mill sites located on withdrawn lands if such
15 mining claims, mill sites, and blocks of such mining claims
16 and mill sites are contiguous to patented or unpatented
17 mining claims or mill sites where mineral development ac-
18 tivities, including mining, have been conducted as author-
19 ized by law or regulation.”.

20 **SEC. 6204. MINERAL DEVELOPMENT LANDS AVAILABLE**
21 **FOR PURCHASE.**

22 Section 2319 of the Revised Statutes (30 U.S.C. 22)
23 is amended—



1 (1) by inserting “(a) LANDS OPEN TO PUR-
2 CHASE BY CITIZENS.—” before the first sentence;
3 and

4 (2) by adding at the end the following:

5 “(b) AVAILABILITY FOR PURCHASE.—Notwith-
6 standing any other provision of law and in compliance with
7 subsection (c), the Secretary of the Interior shall make
8 mineral deposits and the lands that contain them, includ-
9 ing lands in which the valuable mineral deposit has been
10 depleted, available for purchase to facilitate sustainable
11 economic development. This subsection shall not apply
12 with respect to any unit of the National Park System, Na-
13 tional Wildlife Refuge System, National Wild and Scenic
14 Rivers System, or National Trails System, or to any Na-
15 tional Conservation Area, any National Recreation Area,
16 any National Monument, or any unit of the National Wil-
17 derness Preservation System.

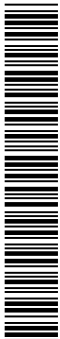
18 “(c) APPLICATION.—The holder of mining claims,
19 mill sites, and blocks of such mining claims and mill sites
20 contiguous to patented or unpatented mining claims or
21 mill sites where mineral development activities, including
22 mining, have been conducted as authorized by law or regu-
23 lation and on which mineral development work has been
24 performed may apply to purchase Federal lands that are
25 subject to the claims. The filing of the proper application



1 shall include such processing fees as are required by sec-
2 tion 2325 of the Revised Statutes (30 U.S.C. 29). The
3 applicant or applicants, or their predecessors must present
4 evidence of mineral development work performed on the
5 Federal lands identified and submitted for purchase. Min-
6 eral development work upon aggregation must average not
7 less than \$7,500 per mining claim or mill site within the
8 Federal lands identified and applied for.

9 “(d) LAND SURVEYS.—For the purpose of this sec-
10 tion, and notwithstanding section 2334 of the Revised
11 Statutes (30 U.S.C. 39), land surveys of the Federal lands
12 applied for shall be paid for by the applicant and shall
13 be completed either by a land surveyor registered in the
14 State where the land is situated, or by such a surveyor
15 also designated by the Bureau of Land Management as
16 a mineral surveyor, if such mineral surveyors are avail-
17 able, willing, and able to complete such surveys without
18 delay at a cost comparable to the charges of ordinary reg-
19 istered land surveyors.

20 “(e) DEADLINE FOR CONVEYANCE; PRICE.—Not-
21 withstanding any other provision of law, and not later
22 than one year after the date of the approval of any survey
23 required under subsection (d), the Secretary of the Inte-
24 rior shall convey to the applicant, in return for a payment
25 of \$1,000 per acre or fair market value, whichever is



1 greater, all right, title, and interest in and to the Federal
2 land, subject to valid existing rights and the terms and
3 conditions of the Act of August 30, 1890 (26 Stat. 391).
4 For purposes of this subsection, fair market value for min-
5 eral development lands available for purchase shall be de-
6 termined by appraisals prepared by an appraiser certified
7 or qualified under applicable professional criteria or State
8 law, in accordance with the Uniform Appraisal Standards
9 for Federal Land Acquisitions and the Uniform Standards
10 of Professional Appraisal Practice, submitted by the appli-
11 cant to the Secretary of the Interior upon application for
12 purchase, that is completed within 120 days prior to sub-
13 mission of the application. Fair market value for the inter-
14 est in the land owned by the United States shall be exclu-
15 sive of, and without regard to, the mineral deposits in the
16 land or the use of such land for mineral activities.

17 “(f) ENVIRONMENTAL LIABILITY.—Notwithstanding
18 any other Federal, State or local law, the United States
19 shall not be responsible for—

20 “(1) investigating or disclosing the condition of
21 any property to be conveyed under this section; and

22 “(2) environmental remediation, waste manage-
23 ment, or environmental compliance activities arising
24 from its ownership, occupancy, or management of
25 land and interests therein conveyed under this sec-



1 tion with respect to conditions existing at or on the
2 land at the time of the conveyance.

3 “(g) MINERAL DEVELOPMENT WORK DEFINED.—In
4 this section the term ‘mineral development work’ means
5 geologic, geochemical or geophysical surveys; road build-
6 ing; exploration drilling, trenching, and exploratory sam-
7 pling by any other means; construction of underground
8 workings for the purpose of conducting exploration; mine
9 development work; mineral production from underground
10 or surface mines; environmental baseline studies; con-
11 struction of environmental protection and monitoring sys-
12 tems; environmental reclamation; construction of power
13 and water distribution facilities; engineering, metallur-
14 gical, geotechnical, and economic feasibility studies; land
15 surveys; and any other work reasonably incident to min-
16 eral development.”.

17 **SEC. 6205. NATIONAL MINING AND MINERALS POLICY TO**
18 **ENCOURAGE AND PROMOTE THE PRODUC-**
19 **TIVE SECOND USE OF LANDS.**

20 Section 101 of the Mining and Minerals Policy Act
21 of 1970 (30 U.S.C. 21a) is amended—

22 (1) in the first sentence—

23 (A) in clause (2) by inserting “including
24 through reining where appropriate” after
25 “needs,”;



1 (B) in clause (3) by striking “and” after
2 the comma at the end; and

3 (C) by striking the period at the end and
4 inserting the following: “, and (5) facilitate the
5 productive second use of lands used for mining
6 and energy production.”;

7 (2) in the second sentence by striking “oil shale
8 and uranium” and inserting “oil shale, and uranium,
9 whether located onshore or offshore”; and

10 (3) in the third sentence—

11 (A) by striking “the Secretary of the Inte-
12 rior” and inserting “the head of each Federal
13 department and of each independent agency”;
14 and

15 (B) by striking “his”.

16 **SEC. 6206. REGULATIONS.**

17 The Secretary of the Interior shall issue final regula-
18 tions implementing this subtitle by not later than 180 days
19 after the date of the enactment of this Act.

20 **SEC. 6207. PROTECTION OF NATIONAL PARKS AND WILDER-**
21 **NESS AREAS.**

22 Subject to valid existing rights, nothing in sections
23 6202, 6203, 6204, 6205, and 6206 of this subtitle shall
24 be construed as affecting any lands within the boundary
25 of any unit of the National Park System, National Wildlife



1 Refuge System, National Wild and Scenic Rivers System,
2 or National Trails System, or any National Conservation
3 Area, any National Recreation Area, any National Monu-
4 ment, or any unit of the National Wilderness Preservation
5 System as of the date of the enactment of this Act.

6 **Subtitle C—Disposal of Public**
7 **Lands**

8 **CHAPTER 1—DISPOSAL OF CERTAIN**
9 **PUBLIC LANDS IN NEVADA**

10 **SEC. 6301. SHORT TITLE.**

11 This subtitle may be cited as the “Northern Nevada
12 Sustainable Development in Mining Act”.

13 **SEC. 6302. DEFINITIONS.**

14 In this chapter:

15 (1) CLAIMANT.—The term “Claimant” means
16 Coeur Rochester, Inc.

17 (2) COUNTY.—The term “County” means Per-
18 shing County, Nevada.

19 (3) GENERAL MINING LAW.—The term “general
20 mining law” means the provisions of law codified in
21 chapters 2, 12, 12A, 15, and 16 of title 30, United
22 States Code, and in sections 161 and 162 of such
23 title.

24 (4) SECRETARY.—The term “Secretary” means
25 the Secretary of the Interior.



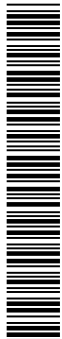
1 **SEC. 6303. LAND CONVEYANCE.**

2 (a) CONVEYANCE OF LAND.—Notwithstanding any
3 other provision of law, and not later than 90 days after
4 the date of the enactment of this Act, the Secretary shall
5 convey to the Claimant, in return for a payment of \$500
6 per acre, all right, title, and interest, subject to the terms
7 and conditions of subsection (c), in the approximately
8 7,000 acres of Federal lands subject to Claimant’s mining
9 claims maintained under the general mining law and de-
10 picted on the Rochester Sustainable Development Project
11 map on file with the Committee on Resources of the House
12 of Representatives.

13 (b) EXEMPTION FROM REVIEW, ETC.—Any convey-
14 ance of land under this chapter is not subject to review,
15 consultation, or approval under any other Federal law.

16 (c) TERMS AND CONDITIONS OF CONVEYANCE.—

17 (1) NO IMPACT ON LEGAL OBLIGATIONS.—Con-
18 veyance of the lands pursuant to subsection (a) shall
19 not affect Claimant’s legal obligations to comply
20 with applicable Federal mine closure or mine land
21 reclamation laws, or with any other applicable Fed-
22 eral or State requirement relating to closure of the
23 Rochester Mine and use of the land comprising such
24 mine, including any requirement to prepare any en-
25 vironmental impact statement under the National
26 Environmental Policy Act of 1969. Federal reclama-



1 tion and closure obligations shall not be construed to
2 require removal of infrastructure identified by
3 Claimant as being usable by a post-mining land use.

4 (2) TITLE TO MATERIALS AND MINERALS.—
5 Notwithstanding any other provision of law, Claim-
6 ant shall own and have title to all spent ore, waste
7 rock and tailings, and other materials located on
8 lands conveyed pursuant to subsection (a).

9 (3) VALID EXISTING RIGHTS.—All lands con-
10 veyed pursuant to subsection (a) shall be subject to
11 valid existing rights existing as of the date of trans-
12 fer of title, and Claimant shall succeed to the rights
13 and obligations of the United States with respect to
14 any mining claim, mill site claim, lease, right-of-way,
15 permit, or other valid existing right to which the
16 property is subject.

17 (4) ENVIRONMENTAL LIABILITY.—Notwith-
18 standing any other Federal, State or local law, the
19 United States shall not be responsible for—

20 (A) investigating or disclosing the condi-
21 tion of any property to be conveyed under this
22 chapter; and

23 (B) environmental remediation, waste
24 management, or environmental compliance ac-
25 tivities arising from its ownership, occupancy,



1 or management of land and interests therein
2 conveyed under this chapter with respect to
3 conditions existing at or on the land at the time
4 of the conveyance.

5 **SEC. 6304. DISPOSITION OF PROCEEDS.**

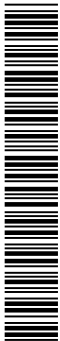
6 The gross proceeds of conveyances of land under this
7 chapter shall be used as follows:

8 (1) Such sums as are necessary shall be used
9 to cover 100 percent of the administrative costs, not
10 to exceed \$20,000, incurred by the Nevada State Of-
11 fice and the Winnemucca Field Office of the Bureau
12 of Land Management in conducting the conveyance
13 under this chapter.

14 (2) \$500,000 shall be paid directly to the State
15 of Nevada for use in the State's abandoned mined
16 land program.

17 (3) \$100,000 shall be paid directly to Pershing
18 County, Nevada.

19 (4) Proceeds remaining after the payments pur-
20 suant to paragraphs (1) through (3) shall be depos-
21 ited in the general fund of the Treasury.



1 **CHAPTER 2—DISPOSAL OF CERTAIN**
2 **PUBLIC LANDS IN IDAHO**

3 **SEC. 6311. SHORT TITLE.**

4 This chapter may be cited as the “Central Idaho Sus-
5 tainable Development in Mining Act”.

6 **SEC. 6312. DEFINITIONS.**

7 In this chapter:

8 (1) CLAIMANT.—The term “Claimant” means
9 TDS LLC, an affiliated company of L&W Stone
10 Corporation.

11 (2) COUNTY.—The term “County” means Cus-
12 ter County, Idaho.

13 (3) GENERAL MINING LAW.—The term “general
14 mining law” means the provisions of law codified in
15 chapters 2, 12A, 15, and 16 of title 30, United
16 States Code, and in sections 161 and 162 of such
17 title.

18 (4) SECRETARY.—The term “Secretary” means
19 the Secretary of the Interior.

20 **SEC. 6313. LAND CONVEYANCE.**

21 (a) CONVEYANCE OF LAND.—Notwithstanding any
22 other provision of law, and not later than 90 days after
23 the date of the enactment of this Act, the Secretary shall
24 convey to the Claimant, in return for a payment of \$1,000
25 per acre, all right, title, and interest, subject to the terms



1 and conditions of subsection (c), in the approximately
2 519.7 acres of Federal lands subject to Claimant's mining
3 claims maintained under the general mining law and de-
4 picted as "proposed land exchange alignment" on the Cen-
5 tral Idaho Sustainable Development Project map on file
6 with the Committee on Resources of the House of Rep-
7 resentatives.

8 (b) EXEMPTION FROM REVIEW, ETC.—Any convey-
9 ance of land under this chapter is not subject to review,
10 consultation, or approval under any other Federal law.

11 (c) TERMS AND CONDITIONS OF CONVEYANCE.—

12 (1) TRANSFER OF FEE TITLE IN FEDERAL
13 LANDS.—Notwithstanding any other provision of
14 law, full fee title in approximately 519.7 acres of
15 Federal lands described in subsection (a) shall be
16 transferred to Claimant as depicted as "proposed
17 land exchange alignment" on the Central Idaho Sus-
18 tainable Development Project map.

19 (2) VALID EXISTING RIGHTS.—All lands con-
20 veyed pursuant to subsection (a) shall be subject to
21 valid existing rights existing as of the date of trans-
22 fer of title, and Claimant shall succeed to the rights
23 and obligations of the United States with respect to
24 any mining claim, mill site claim, lease, right-of-way,



1 permit, or other valid existing right to which the
2 property is subject.

3 (3) ENVIRONMENTAL LIABILITY.—Notwith-
4 standing any other Federal, State, or local law, the
5 United States shall not be responsible for—

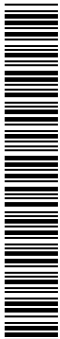
6 (A) investigating or disclosing the condi-
7 tion of any property to be conveyed under this
8 chapter; and

9 (B) environmental remediation, waste
10 management, or environmental compliance ac-
11 tivities arising from its ownership, occupancy,
12 or management of land and interests therein
13 conveyed under this chapter with respect to
14 conditions existing at or on the land at the time
15 of the conveyance.

16 **SEC. 6314. DISPOSITION OF PROCEEDS.**

17 Within one year of the completion of the conveyance
18 under this chapter, the gross proceeds of the conveyance
19 shall be used as follows:

20 (1) Such sums as are necessary shall be used
21 to cover 100 percent of the administrative costs, not
22 to exceed \$15,000, incurred by the Idaho State Of-
23 fice and the Challis Field Office of the Bureau of
24 Land Management in conducting conveyances under
25 this chapter.



1 (2) \$200,000 shall be paid directly to the State
2 of Idaho for use in the State Parks program.

3 (3) \$200,000 shall be paid directly to Custer
4 County, Idaho.

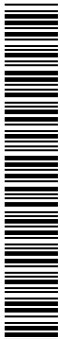
5 (4) Proceeds remaining after the payments pur-
6 suant to paragraphs (1) through (3) shall be depos-
7 ited in the general fund of the Treasury.

8 **Subtitle D—Oil Shale**

9 **SEC. 6401. OIL SHALE AND TAR SANDS AMENDMENTS.**

10 (a) COMMERCIAL LEASING OF OIL SHALE AND TAR
11 SANDS.—Section 369(e) of the Energy Policy Act of 2005
12 (Public Law 109–58) is amended to read as follows:

13 “(e) COMMENCEMENT OF COMMERCIAL LEASING OF
14 OIL SHALE AND TAR SAND.—Not later than 365 days
15 after publication of the final regulation required by sub-
16 section (d), the Secretary shall hold the first oil shale and
17 tar sands lease sales under the regulation, offering for
18 lease a minimum of 35 percent of the Federal lands that
19 are geologically prospective for oil shale and tar sands
20 within Colorado, Utah, and Wyoming. The environmental
21 impact statement developed in support of the commercial
22 leasing program for oil shale and tar sands as required
23 by subsection (c) is deemed to provide adequate environ-
24 mental analysis for all oil shale and tar sands lease sales
25 conducted within the first 10 years after promulgation of



1 the regulation, and such sales shall not be subject to fur-
2 ther environmental analysis.”.

3 (b) REPEAL OF REQUIREMENT TO ESTABLISH PAY-
4 MENTS.—Section 369(o) of the Energy Policy Act of 2005
5 (Public Law 109–58; 119 Stat. 728; 42 U.S.C. 15927)
6 is repealed.

7 (c) TREATMENT OF REVENUES.—Section 21 of the
8 Mineral Leasing Act (30 U.S.C. 241) is amended by add-
9 ing at the end the following:

10 “(e) REVENUES.—

11 “(1) IN GENERAL.—Notwithstanding the provi-
12 sions of section 35, all revenues received from and
13 under an oil shale or tar sands lease shall be dis-
14 posed of as provided in this subsection.

15 “(2) ROYALTY RATES FOR COMMERCIAL
16 LEASES.—

17 “(A) INITIAL PRODUCTION.—For the first
18 10 years after initial production under each oil
19 shale or tar sands lease issued under the com-
20 mercial leasing program established under sub-
21 section (d), the Secretary shall set the royalty
22 rate at not less than 1 percent nor more than
23 3 percent of the gross value of production.
24 However, the initial production period royalty
25 rate set by the Secretary shall not apply to pro-

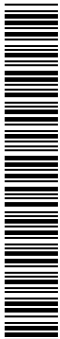


1 duction occurring more than 15 years after the
2 date of issuance of the lease.

3 “(B) SUBSEQUENT PERIODS.—After the
4 periods of time specified in subparagraph (A),
5 the Secretary shall set the royalty rate on each
6 oil shale or tar sands lease issued under the
7 commercial leasing program established under
8 subsection (d) at not less than 6 percent nor
9 more than 9 percent of the gross value of pro-
10 duction.

11 “(C) REDUCTION.—The Secretary shall re-
12 duce any royalty otherwise required to be paid
13 under subparagraphs (A) and (B) under any oil
14 shale or tar sands lease on a sliding scale based
15 upon market price, with a 10 percent reduction
16 if the monthly average price of NYMEX West
17 Texas Intermediate crude oil at Cushing, Okla-
18 homa, (WTI) drops below \$50 (in 2005 dollars)
19 for the month in which the production is sold,
20 and an 80 percent reduction if the monthly av-
21 erage price of WTI drops below \$30 (in 2005
22 dollars) for the month in which the production
23 is sold.

24 “(3) DISPOSITION OF REVENUES.—



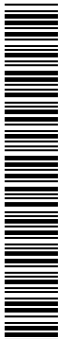
1 “(A) DEPOSIT.—The Secretary shall de-
2 posit into a separate account in the Treasury
3 all revenues derived from any oil shale or tar
4 sands lease.

5 “(B) ALLOCATIONS TO STATES AND LOCAL
6 POLITICAL SUBDIVISIONS.—The Secretary shall
7 allocate 50 percent of the revenues deposited
8 into the account established under subpara-
9 graph (A) to the State within the boundaries of
10 which the leased lands are located, with a por-
11 tion of that to be paid directly by the Secretary
12 to the State’s local political subdivisions as pro-
13 vided in this paragraph.

14 “(C) TRANSMISSION OF ALLOCATIONS.—

15 “(i) IN GENERAL.—Not later than the
16 last business day of the month after the
17 month in which the revenues were received,
18 the Secretary shall transmit—

19 “(I) to each State two-thirds of
20 such State’s allocations under sub-
21 paragraph (B), and in accordance
22 with clauses (ii) and (iii) to certain
23 county-equivalent and municipal polit-
24 ical subdivisions of such State a total
25 of one-third of such State’s allocations

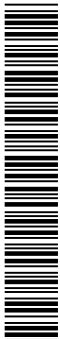


1 under subparagraph (B), together
2 with all accrued interest thereon; and

3 “(II) the remaining balance of
4 such revenues deposited into the ac-
5 count that are not allocated under
6 subparagraph (B), together with in-
7 terest thereon, shall be transmitted to
8 the miscellaneous receipts account of
9 the Treasury, except that until a lease
10 has been in production for 10 years
11 80 percent of such remaining balance
12 derived from a lease shall be paid in
13 accordance with subclause (I).

14 “(ii) ALLOCATIONS TO CERTAIN
15 COUNTY-EQUIVALENT POLITICAL SUBDIVI-
16 SIONS.—The Secretary shall under clause
17 (i)(I) make equitable allocations of the rev-
18 enues to county-equivalent political sub-
19 divisions that the Secretary determines are
20 closely associated with the leasing and pro-
21 duction of oil shale and tar sands, under a
22 formula that the Secretary shall determine
23 by regulation.

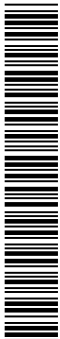
24 “(iii) ALLOCATIONS TO MUNICIPAL
25 POLITICAL SUBDIVISIONS.—The initial al-



1 location to each county-equivalent political
2 subdivision under clause (ii) shall be fur-
3 ther allocated to the county-equivalent po-
4 litical subdivision and any municipal polit-
5 ical subdivisions located partially or wholly
6 within the boundaries of the county-equiva-
7 lent political subdivision on an equitable
8 basis under a formula that the Secretary
9 shall determine by regulation.

10 “(D) INVESTMENT OF DEPOSITS.—The de-
11 posits in the Treasury account established
12 under this section shall be invested by the Sec-
13 retary of the Treasury in securities backed by
14 the full faith and credit of the United States
15 having maturities suitable to the needs of the
16 account and yielding the highest reasonably
17 available interest rates as determined by the
18 Secretary of the Treasury.

19 “(E) USE OF FUNDS.—A recipient of
20 funds under this subsection may use the funds
21 for any lawful purpose as determined by State
22 law. Funds allocated under this subsection to
23 States and local political subdivisions may be
24 used as matching funds for other Federal pro-
25 grams without limitation. Funds allocated to



1 local political subdivisions under this subsection
2 may not be used in calculation of payments to
3 such local political subdivisions under programs
4 for payments in lieu of taxes or other similar
5 programs.

6 “(F) NO ACCOUNTING REQUIRED.—No re-
7 cipient of funds under this subsection shall be
8 required to account to the Federal Government
9 for the expenditure of such funds, except as
10 otherwise may be required by law.

11 “(4) DEFINITIONS.—In this subsection:

12 “(A) COUNTY-EQUIVALENT POLITICAL
13 SUBDIVISION.—The term ‘county-equivalent po-
14 litical subdivision’ means a political jurisdiction
15 immediately below the level of State govern-
16 ment, including a county, parish, borough in
17 Alaska, independent municipality not part of a
18 county, parish, or borough in Alaska, or other
19 equivalent subdivision of a State.

20 “(B) MUNICIPAL POLITICAL SUBDIVI-
21 SION.—The term ‘municipal political subdivi-
22 sion’ means a municipality located within and
23 part of a county, parish, borough in Alaska, or
24 other equivalent subdivision of a State.”.



1 **Subtitle E—Ocean Energy**
2 **Resources**

3 **SEC. 6501. SHORT TITLE.**

4 This subtitle may be cited as the “Ocean State Op-
5 tions Act of 2005”.

6 **SEC. 6502. POLICY.**

7 It is the policy of the United States that—

8 (1) Adjacent States are required by the cir-
9 cumstances to commit significant resources in sup-
10 port of exploration, development, and production ac-
11 tivities for mineral resources on the outer Conti-
12 nental Shelf, and it is fair and proper for a portion
13 of the receipts from such activities to be shared with
14 Adjacent States and their local coastal governments;

15 (2) the existing laws governing the leasing and
16 production of the mineral resources of the outer
17 Continental Shelf have reduced the production of
18 mineral resources, have preempted Adjacent States
19 from being sufficiently involved in the decisions re-
20 garding the allowance of mineral resource develop-
21 ment, and have been harmful to the national inter-
22 est;

23 (3) the national interest is served by granting
24 the Adjacent States more options related to whether



1 or not mineral leasing should occur in the outer
2 Continental Shelf within their Adjacent Zones;

3 (4) it is not reasonably foreseeable that explo-
4 ration of a leased tract located more than 25 miles
5 seaward of the coastline, development and produc-
6 tion of a natural gas discovery located more than 25
7 miles seaward of the coastline, or development and
8 production of an oil discovery located more than 50
9 miles seaward of the coastline will adversely affect
10 resources near the coastline;

11 (5) transportation of oil from a leased tract
12 might reasonably be foreseen, under limited cir-
13 cumstances, to have the potential to adversely affect
14 such resources if the oil is within 50 miles of the
15 coastline, but such potential to adversely affect such
16 resources is likely no greater, and probably less,
17 than the potential impacts from tanker transpor-
18 tation because tanker spills usually involve large re-
19 leases of oil over a brief period of time; and

20 (6) among other bodies of inland waters, the
21 Great Lakes, Long Island Sound, Delaware Bay,
22 Chesapeake Bay, Albemarle Sound, San Francisco
23 Bay, and Puget Sound are not part of the outer
24 Continental Shelf, and are not subject to leasing by
25 the Federal Government for the exploration, develop-



1 ment, and production of any mineral resources that
2 might lie beneath them.

3 **SEC. 6503. DEFINITIONS UNDER THE OUTER CONTINENTAL**
4 **SHELF LANDS ACT.**

5 Section 2 of the Outer Continental Shelf Lands Act
6 (43 U.S.C. 1331) is amended—

7 (1) by amending paragraph (f) to read as fol-
8 lows:

9 “(f) The term ‘affected State’ means the Adjacent
10 State.”;

11 (2) by striking the semicolon at the end of each
12 of paragraphs (a) through (o) and inserting a pe-
13 riod;

14 (3) by striking “; and” at the end of paragraph
15 (p) and inserting a period;

16 (4) by adding at the end the following:

17 “(r) The term ‘Adjacent State’ means, with respect
18 to any program, plan, lease sale, leased tract or other ac-
19 tivity, proposed, conducted, or approved pursuant to the
20 provisions of this Act, any State the laws of which are
21 declared, pursuant to section 4(a)(2), to be the law of the
22 United States for the portion of the outer Continental
23 Shelf on which such program, plan, lease sale, leased tract
24 or activity appertains or is, or is proposed to be, con-
25 ducted. For purposes of this paragraph, the term ‘State’



1 includes Puerto Rico and the other Territories of the
2 United States.

3 “(s) The term ‘Adjacent Zone’ means, with respect
4 to any program, plan, lease sale, leased tract, or other ac-
5 tivity, proposed, conducted, or approved pursuant to the
6 provisions of this Act, the portion of the outer Continental
7 Shelf for which the laws of a particular Adjacent State
8 are declared, pursuant to section 4(a)(2), to be the law
9 of the United States.

10 “(t) The term ‘miles’ means statute miles.

11 “(u) The term ‘coastline’ has the same meaning as
12 the term ‘coast line’ as defined in section 2(c) of the Sub-
13 merged Lands Act (43 U.S.C. 1301(c)).

14 “(v) The term ‘Neighboring State’ means a coastal
15 state having a common boundary at the coastline with the
16 Adjacent State; and”.

17 (5) in paragraph (a), by inserting after “con-
18 trol” the following: “or lying within the United
19 States exclusive economic zone adjacent to the Terri-
20 tories of the United States”.

21 **SEC. 6504. DETERMINATION OF ADJACENT ZONES AND**
22 **PLANNING AREAS.**

23 Section 4(a)(2)(A) of the Outer Continental Shelf
24 Lands Act (43 U.S.C. 1333(a)(2)(A)) is amended in the
25 first sentence by striking “, and the President” and all



1 that follows through the end of the sentence and inserting
2 the following: “. The lines extending seaward and defining
3 each State’s Adjacent Zone, and each OCS Planning Area,
4 are as indicated on the maps for each outer Continental
5 Shelf region entitled ‘Alaska OCS Region State Adjacent
6 Zone and OCS Planning Areas’, ‘Pacific OCS Region
7 State Adjacent Zones and OCS Planning Areas’, ‘Gulf of
8 Mexico OCS Region State Adjacent Zones and OCS Plan-
9 ning Areas’, and ‘Atlantic OCS Region State Adjacent
10 Zones and OCS Planning Areas’, all of which are dated
11 September 2005 and on file in the Office of the Director,
12 Minerals Management Service.”.

13 **SEC. 6505. ADMINISTRATION OF LEASING.**

14 Section 5 of the Outer Continental Shelf Lands Act
15 (43 U.S.C. 1334) is amended by adding at the end the
16 following:

17 “(k) VOLUNTARY PARTIAL RELINQUISHMENT OF A
18 LEASE.—Any lessee of a producing lease may relinquish
19 to the Secretary any portion of a lease that the owner has
20 no interest in producing and that the Secretary finds is
21 geologically prospective. In return for any such relinquis-
22 ment, the Secretary shall provide to the owner a royalty
23 incentive in accordance with regulations promulgated by
24 the Secretary to carry out this subsection. The Secretary
25 shall publish final regulations implementing this sub-



1 section within 365 days after the date of the enactment
2 of the Ocean State Options Act of 2005.

3 “(l) NATURAL GAS LEASE REGULATIONS.—Not later
4 than October 1, 2006, the Secretary shall publish a final
5 regulation that shall—

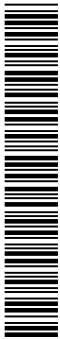
6 “(1) establish procedures for entering into nat-
7 ural gas leases;

8 “(2) ensure that natural gas leases are only
9 available for tracts on the outer Continental Shelf
10 that are wholly within 125 miles of the coastline
11 within an area withdrawn from disposition by leas-
12 ing on the day after the date of enactment of the
13 Ocean State Options Act of 2005;

14 “(3) provide that natural gas leases shall con-
15 tain the same rights and obligations established for
16 oil and gas leases, except as otherwise provided in
17 the Ocean State Options Act of 2005;

18 “(4) provide that, in reviewing the adequacy of
19 bids for natural gas leases, the value of any crude
20 oil estimated to be contained within any tract shall
21 be excluded;

22 “(5) provide that any crude oil produced from
23 a well and reinjected into the leased tract shall not
24 be subject to payment of royalty, and that the Sec-
25 retary shall consider, in setting the royalty rates for



1 a natural gas lease, the additional cost to the lessee
2 of not producing any crude oil; and

3 “(6) provide that any Federal law that applies
4 to an oil and gas lease on the outer Continental
5 Shelf shall apply to a natural gas lease unless other-
6 wise clearly inapplicable.”.

7 **SEC. 6506. GRANT OF LEASES BY SECRETARY.**

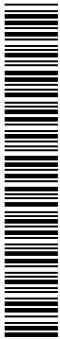
8 Section 8 of the Outer Continental Shelf Lands Act
9 (43 U.S.C. 1337) is amended—

10 (1) in subsection (a)(1) by inserting after the
11 first sentence the following: “Further, the Secretary
12 may grant natural gas leases in a manner similar to
13 the granting of oil and gas leases and under the var-
14 ious bidding systems available for oil and gas
15 leases.”;

16 (2) by adding at the end of subsection (b) the
17 following:

18 “The Secretary may issue more than one lease for a given
19 tract if each lease applies to a separate and distinct range
20 of vertical depths, horizontal surface area, or a combina-
21 tion of the two. The Secretary may issue regulations that
22 the Secretary determines are necessary to manage such
23 leases consistent with the purposes of this Act.”.

24 (3) in subsection (p)(2)(B)—



1 (A) by striking “27” and inserting “50”;

2 and

3 (B) by striking “15” and inserting “200”;

4 (4) by adding at the end the following:

5 “(q) NATURAL GAS LEASES.—

6 “(1) RIGHT TO PRODUCE NATURAL GAS.—A

7 lessee of a natural gas lease shall have the right to
8 produce the natural gas from a natural gas leased
9 tract if the Secretary estimates that the discovered
10 field has at least 40 percent of the economically re-
11 coverable Btu content of the field contained within
12 natural gas and such natural gas is economical to
13 produce.

14 “(2) RIGHT TO PRODUCE CRUDE OIL.—A lessee
15 of a natural gas lease may produce crude oil from
16 the lease unless the Governor and the legislature of
17 the Adjacent State object to such production within
18 180 days after receipt of written notice from the les-
19 see of intent to produce crude oil from the lease. If
20 the leased tract is located within 50 miles of the
21 nearest point on the coastline of a Neighboring
22 State, the Governor and legislature of the Neigh-
23 boring State shall also receive such notice and have
24 the right to object to such production within 180
25 days after receipt of such notice.



1 “(3) ESTIMATES OF BTU CONTENT.—The Sec-
2 retary shall make estimates of the natural gas Btu
3 content of discovered fields on a natural gas lease
4 only after the completion of at least one exploration
5 well, the data from which has been tied to the re-
6 sults of a three-dimensional seismic survey of the
7 field. The Secretary may not require the lessee to
8 further delineate any discovered field prior to mak-
9 ing such estimates.

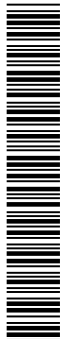
10 “(4) TRANSPORTATION OF CRUDE OIL.—If an
11 Adjacent State or any applicable Neighboring State
12 does not object to production of crude oil from a
13 natural gas lease, the lessee shall be permitted to
14 transport the crude oil from the leased tract through
15 Adjacent State waters, and Neighboring State wa-
16 ters if applicable, to facilities onshore in the Adja-
17 cent State, and Neighboring State if applicable, un-
18 less the lessee agreed to other arrangements with
19 the Adjacent State or Neighboring State, or both.

20 “(5) REPURCHASE OF CERTAIN NATURAL GAS
21 LEASES.—Upon request of the lessee and certifi-
22 cation by the Secretary of the Interior that a natural
23 gas lease contains all or part of a commercial oil and
24 gas discovery that is not allowed to be produced be-
25 cause it does not meet the standard set in paragraph



1 (1), the Secretary of the Treasury shall repurchase
2 the lease by issuance of a check or electronic pay-
3 ment from OCS Receipts to the lessee in full com-
4 pensation for the repurchase. The Secretary shall re-
5 coup from the State and local governments any
6 funds previously shared with them that were derived
7 from the repurchased lease. Such recoupment shall
8 only be from the State and local governments'
9 shares of OCS receipts that are payable after the
10 date of repurchase.

11 “(6) AMOUNT OF COMPENSATION.—Repurchase
12 compensation for each lease repurchased under the
13 authority of this section shall be in the amount of
14 the lesser of the original bonus bid paid for the lease
15 or, if the lessee is not the original lessee, the com-
16 pensation paid by the current lessee to obtain its in-
17 terest in the lease. In addition, the lessee shall be
18 compensated for any expenses directly attributable
19 to the lease that the lessee incurs after acquisition
20 of its interest in the lease to be repurchased, includ-
21 ing rentals, seismic acquisition costs, drilling costs,
22 and other reasonable expenses on the lease, includ-
23 ing expenses incurred in the repurchase process, to
24 the extent that the lessee has not previously been
25 compensated by the United States for such expenses.



1 The lessee shall not be compensated for general
2 overhead expenses or employee salaries.

3 “(7) PRIORITY RIGHT TO OBTAIN FUTURE OIL
4 AND GAS LEASE.—The lessee, or a designee of the
5 lessee, of a repurchased natural gas leased tract
6 shall have the right to repurchase such tract as an
7 oil and gas lease, on a noncompetitive basis, by re-
8 paying the amount received by the lessee if the tract
9 is made available for lease under an oil and gas
10 lease within 30 years after the repurchase.

11 “(8) DEFINITION OF NATURAL GAS.—For pur-
12 poses of a natural gas lease, natural gas means nat-
13 ural gas and all substances produced in association
14 with gas, including, but not limited to, hydrocarbon
15 liquids (other than crude oil) that are obtained by
16 the condensation of hydrocarbon vapors and sepa-
17 rate out in liquid form from the produced gas
18 stream.

19 “(r) REMOVAL OF RESTRICTIONS ON JOINT BIDDING
20 IN CERTAIN AREAS OF THE OUTER CONTINENTAL
21 SHELF.—Restrictions on joint bidders shall no longer
22 apply to tracts located in the Alaska OCS Region. Such
23 restrictions shall not apply to tracts in other OCS regions
24 determined to be ‘frontier tracts’ or otherwise ‘high cost
25 tracts’ under final regulations that shall be published by



1 the Secretary by not later than 365 days after the date
2 of the enactment of the Ocean State Options Act of
3 2005.”;

4 (5) by striking subsection (a)(3)(A) and redesi-
5 gnating the subsequent subparagraphs as subpara-
6 graphs (A) and (B), respectively;

7 (6) in subsection (a)(3)(A) (as so redesignated)
8 by striking “In the Western” and all that follows
9 through “the Secretary” the first place it appears
10 and inserting “The Secretary”; and

11 (7) effective October 1, 2013, in subsection
12 (g)—

13 (A) by striking all except paragraph (3);

14 (B) by striking the last sentence of para-
15 graph (3); and

16 (C) by striking “(3)”.

17 **SEC. 6507. DISPOSITION OF RECEIPTS.**

18 Section 9 of the Outer Continental Shelf Lands Act
19 (43 U.S.C. 1338) is amended—

20 (1) by designating the existing text as sub-
21 section (a);

22 (2) in subsection (a) (as so designated) by in-
23 serting “, if not paid as otherwise provided in this
24 title” after “receipts”; and

25 (3) by adding the following:



1 “(b) TREATMENT OF OCS RECEIPTS FROM TRACTS
2 COMPLETELY WITHIN 125 MILES OF THE COASTLINE.—

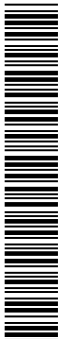
3 “(1) DEPOSIT.—The Secretary shall deposit
4 into a separate account in the Treasury the portion
5 of OCS Receipts for each fiscal year that will be
6 shared under paragraphs (2) and (3).

7 “(2) RECEIPTS SHARING BEGINNING OCTOBER
8 1, 2010.—

9 “(A) Beginning October 1, 2010, the Sec-
10 retary shall share OCS Receipts derived from
11 the following areas:

12 “(i) Lease tracts located on portions
13 of the Gulf of Mexico OCS Region com-
14 pletely within 125 miles of any coastline
15 that are available for leasing under the
16 2002–2007 5-Year Oil and Gas Leasing
17 Program in effect prior to the date of the
18 enactment of the Ocean State Options Act
19 of 2005.

20 “(ii) Lease tracts in production prior
21 to January 1, 2006, completely within 125
22 miles of any coastline located on portions
23 of the OCS that were not available for
24 leasing under the 2002–2007 5-Year OCS
25 Oil and Gas Leasing Program in effect



1 prior to the date of the enactment of the
2 Ocean State Options Act of 2005.

3 “(iii) Lease tracts for which leases are
4 issued prior to January 1, 2006, located in
5 the Alaska OCS Region completely within
6 125 miles of the coastline.

7 “(B) The Secretary shall share the fol-
8 lowing percentages of OCS Receipts from the
9 leases described in subparagraph (A) derived
10 during the fiscal year indicated:

11 “(i) For fiscal year 2011, 4.5 percent.

12 “(ii) For fiscal year 2012, 5.0 per-
13 cent.

14 “(iii) For fiscal year 2013, 5.5 per-
15 cent.

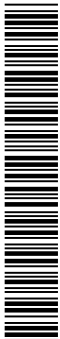
16 “(iv) For fiscal year 2014, 6.0 per-
17 cent.

18 “(v) For fiscal year 2015, 6.5 percent.

19 “(vi) For fiscal year 2016, 7.5 per-
20 cent.

21 “(vii) For fiscal year 2017, 10.0 per-
22 cent.

23 “(viii) For fiscal year 2018, 12.5 per-
24 cent.



1 “(ix) For fiscal year 2019, 15.0 per-
2 cent.

3 “(x) For fiscal year 2020, 17.5 per-
4 cent.

5 “(xi) For fiscal year 2021, 20.0 per-
6 cent.

7 “(xii) For fiscal year 2022, 22.5 per-
8 cent.

9 “(xiii) For fiscal year 2023, 25.0 per-
10 cent.

11 “(xiv) For fiscal year 2024, 27.5 per-
12 cent.

13 “(xv) For fiscal year 2025, 30.0 per-
14 cent.

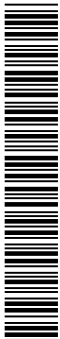
15 “(xvi) For fiscal year 2026, 32.5 per-
16 cent.

17 “(xvii) For fiscal year 2027, 35.0 per-
18 cent.

19 “(xviii) For fiscal year 2028, 37.5
20 percent.

21 “(xix) For fiscal year 2029 and each
22 subsequent fiscal year, 40.0 percent.

23 “(3) RECEIPTS SHARING BEGINNING JANUARY
24 1, 2006.—Beginning January 1, 2006, the Secretary
25 shall share 40 percent of OCS Receipts derived on



1 and after January 1, 2006, from all leases located
2 completely within 125 miles of any coastline not in-
3 cluded within the provisions of paragraph (2) or the
4 receipts sharing provisions of section 8(g).

5 “(4) ALLOCATIONS.—The Secretary shall allo-
6 cate the OCS Receipts deposited into the separate
7 account established by paragraph (1) that are
8 shared under paragraphs (2) and (3) as follows:

9 “(A) BONUS BIDS.—Deposits derived from
10 bonus bids from a leased tract, including inter-
11 est thereon, shall be allocated at the end of
12 each fiscal year as follows:

13 “(i) 87.5 percent to the Adjacent
14 State.

15 “(ii) 6.25 percent into the Treasury,
16 which shall be allocated to the account es-
17 tablished by section 6514 of the Ocean
18 State Options Act of 2005.

19 “(iii) 5 percent into the account es-
20 tablished by section 6523 of the Ocean
21 State Options Act of 2005.

22 “(iv) 1.25 percent into the account es-
23 tablished by section 6526 of the Ocean
24 State Options Act of 2005.



1 “(B) ROYALTIES.—Deposits derived from
2 royalties from a leased tract, including interest
3 thereon, shall be allocated at the end of each
4 fiscal year as follows:

5 “(i) 87.5 percent to the Adjacent
6 State and any other producing State or
7 States with a leased tract within its Adja-
8 cent Zone within 125 miles of its coastline
9 that generated royalties during the fiscal
10 year, if the other producing or States have
11 a coastline point within 300 miles of any
12 portion of the leased tract, in which case
13 the amount allocated for the leased tract
14 shall be—

15 “(I) one-third to the Adjacent
16 State; and

17 “(II) two-thirds to each pro-
18 ducing State, including the Adjacent
19 State, inversely proportional to the
20 distance between the nearest point on
21 the coastline of the producing State
22 and the geographic center of the
23 leased tract.

24 “(ii) 6.25 percent into the Treasury,
25 which shall be allocated to the account es-



1 tablished by section 6514 of the Ocean
2 State Options Act of 2005.

3 “(iii) 5 percent into the account es-
4 tablished by section 6523 of the Ocean
5 State Options Act of 2005.

6 “(iv) 1.25 percent into the account es-
7 tablished by section 6526 of the Ocean
8 State Options Act of 2005.

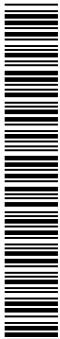
9 “(c) TREATMENT OF OCS RECEIPTS FROM TRACTS
10 PARTIALLY OR COMPLETELY BEYOND 125 MILES OF THE
11 COASTLINE.—

12 “(1) DEPOSIT.—The Secretary shall deposit
13 into a separate account in the Treasury the portion
14 of OCS Receipts for each fiscal year that will be
15 shared under paragraphs (2) and (3).

16 “(2) RECEIPTS SHARING BEGINNING OCTOBER
17 1, 2010.—

18 “(A) Beginning October 1, 2010, the Sec-
19 retary shall share OCS Receipts derived from
20 the following areas:

21 “(i) Lease tracts located on portions
22 of the Gulf of Mexico OCS Region partially
23 or completely beyond 125 miles of any
24 coastline that are available for leasing
25 under the 2002–2007 5-Year Oil and Gas



1 Leasing Program in effect prior to the
2 date of enactment of the Ocean State Op-
3 tions Act of 2005.

4 “(ii) Lease tracts in production prior
5 to January 1, 2006, partially or completely
6 beyond 125 miles of any coastline located
7 on portions of the OCS that were not
8 available for leasing under the 2002–2007
9 5-Year OCS Oil and Gas Leasing Program
10 in effect prior to the date of enactment of
11 the Ocean State Options Act of 2005.

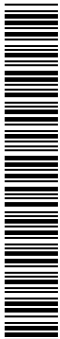
12 “(iii) Lease tracts for which leases are
13 issued prior to January 1, 2006, located in
14 the Alaska OCS Region partially or com-
15 pletely beyond 125 miles of the coastline.

16 “(B) The Secretary shall share the fol-
17 lowing percentages of OCS Receipts from the
18 leases described in subparagraph (A) derived
19 during the fiscal year indicated:

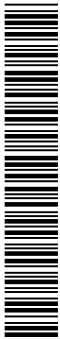
20 “(i) For fiscal year 2011, 4.5 percent.

21 “(ii) For fiscal year 2012, 5.0 per-
22 cent.

23 “(iii) For fiscal year 2013, 5.5 per-
24 cent.



- 1 “(iv) For fiscal year 2014, 6.0 per-
- 2 cent.
- 3 “(v) For fiscal year 2015, 6.5 percent.
- 4 “(vi) For fiscal year 2016, 7.5 per-
- 5 cent.
- 6 “(vii) For fiscal year 2017, 10.0 per-
- 7 cent.
- 8 “(viii) For fiscal year 2018, 12.5 per-
- 9 cent.
- 10 “(ix) For fiscal year 2019, 15.0 per-
- 11 cent.
- 12 “(x) For fiscal year 2020, 17.5 per-
- 13 cent.
- 14 “(xi) For fiscal year 2021, 20.0 per-
- 15 cent.
- 16 “(xii) For fiscal year 2022, 22.5 per-
- 17 cent.
- 18 “(xiii) For fiscal year 2023, 25.0 per-
- 19 cent.
- 20 “(xiv) For fiscal year 2024, 27.5 per-
- 21 cent.
- 22 “(xv) For fiscal year 2025, 30.0 per-
- 23 cent.
- 24 “(xvi) For fiscal year 2026, 32.5 per-
- 25 cent.



1 “(xvii) For fiscal year 2027, 35.0 per-
2 cent.

3 “(xviii) For fiscal year 2028, 37.5
4 percent.

5 “(xix) For fiscal year 2029 and each
6 subsequent fiscal year, 40.0 percent.

7 “(3) RECEIPTS SHARING BEGINNING JANUARY
8 1, 2006.—Beginning January 1, 2006, the Secretary
9 shall share 40 percent of OCS Receipts derived on
10 and after January 1, 2006, from all leases located
11 partially or completely beyond 125 miles of any
12 coastline not included within the provisions of para-
13 graph (2).

14 “(4) ALLOCATIONS.—The Secretary shall allo-
15 cate the OCS Receipts deposited into the separate
16 account established by paragraph (1) that are
17 shared under paragraphs (2) and (3) as follows:

18 “(A) BONUS BIDS.—Deposits derived from
19 bonus bids from a leased tract, including inter-
20 est thereon, shall be allocated at the end of
21 each fiscal year as follows:

22 “(i) 87.5 percent to the Adjacent
23 State.

24 “(ii) 6.25 percent into the Treasury,
25 which shall be allocated to the account es-



1 tablished by section 6514 of the Ocean
2 State Options Act of 2005.

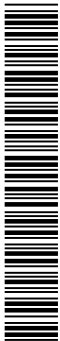
3 “(iii) 5 percent into the account es-
4 tablished by section 6523 of the Ocean
5 State Options Act of 2005.

6 “(iv) 1.25 percent into the account es-
7 tablished by section 6526 of the Ocean
8 State Options Act of 2005.

9 “(B) ROYALTIES.—Deposits derived from
10 royalties from a leased tract, including interest
11 thereon, shall be allocated at the end of each
12 fiscal year as follows:

13 “(i) 87.5 percent to the Adjacent
14 State and any other producing State or
15 States with a leased tract within its Adja-
16 cent Zone partially or completely beyond
17 125 miles of its coastline that generated
18 royalties during the fiscal year, if the other
19 producing State or States have a coastline
20 point within 300 miles of any portion of
21 the leased tract, in which case the amount
22 allocated for the leased tract shall be—

23 “(I) one-third to the Adjacent
24 State; and



1 “(II) two-thirds to each pro-
2 ducing State, including the Adjacent
3 State, inversely proportional to the
4 distance between the nearest point on
5 the coastline of the producing State
6 and the geographic center of the
7 leased tract.

8 “(ii) 6.25 percent into the account es-
9 tablished by section 6514 of the Ocean
10 State Options Act of 2005.

11 “(iii) 5 percent into the account es-
12 tablished by section 6523 of the Ocean
13 State Options Act of 2005.

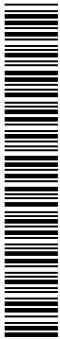
14 “(iv) 1.25 percent into the account es-
15 tablished by section 6526 of the Ocean
16 State Options Act of 2005.

17 “(d) SPECIAL RECEIPTS SHARING.—

18 “(1) DEPOSIT.—The Secretary shall deposit
19 into a separate account in the Treasury the portion
20 of OCS Receipts for each fiscal year that will be
21 shared under paragraphs (2) and (3).

22 “(2) EXCESS NEW PROGRAM RECEIPTS.—

23 “(A) REQUIREMENT.—Beginning January
24 1, 2006, and continuing through September 30,
25 2015, if the total amount of OCS receipts in a



1 fiscal year derived from leases included within
2 the sharing provisions of subsections (b)(3) and
3 (c)(3) exceeds the amount specified in subpara-
4 graph (B), the Secretary shall share 60 percent
5 of the difference between such total amount and
6 the amount specified in subparagraph (B).

7 “(B) TOTAL AMOUNT SPECIFIED.—The
8 amount specified in this subparagraph is the
9 following:

10 “(i) For fiscal year 2006, \$0.

11 “(ii) For fiscal year 2007,
12 \$498,000,000.

13 “(iii) For fiscal year 2008,
14 \$260,000,000.

15 “(iv) For fiscal year 2009,
16 \$322,000,000.

17 “(v) For fiscal year 2010,
18 \$140,000,000.

19 “(vi) For fiscal year 2011,
20 \$93,000,000.

21 “(vii) For fiscal year 2012,
22 \$25,000,000.

23 “(viii) For fiscal year 2013,
24 \$540,000,000.



1 “(ix) For fiscal year 2014,
2 \$342,000,000.

3 “(x) For fiscal year 2015,
4 \$481,000,000.

5 “(3) EXTRA NEW PROGRAM AREA RECEIPTS.—
6 Beginning October 1, 2015, and continuing there-
7 after through September 30, 2029, the Secretary
8 shall share an additional 20 percent of OCS Re-
9 ceipts derived from leases included within the shar-
10 ing provisions of subsections (b)(3) and (c)(3) that
11 were not already shared under those provisions.

12 “(4) ALLOCATIONS.—The Secretary shall allo-
13 cate the OCS Receipts deposited into the separate
14 account established by paragraph (1) that are
15 shared under the provisions of paragraphs (2) and
16 (3) among all producing States, which shall be allo-
17 cated to each producing State based on the ratio
18 that—

19 “(A) OCS Receipts derived from all leased
20 tracts on the Federal outer Continental Shelf
21 that are completely within 300 miles of the
22 coastline of the producing State for the fiscal
23 year, bears to

24 “(B) OCS Receipts derived from all leased
25 tracts on the Federal outer Continental Shelf



1 that are completely within 300 miles of the
2 coastlines of all producing States for the fiscal
3 year.

4 “(e) TRANSMISSION OF ALLOCATIONS.—

5 “(1) IN GENERAL.—Not later than 90 days
6 after the end of each fiscal year, the Secretary shall
7 transmit—

8 “(A) to each State two-thirds of such
9 State’s allocations under subsections
10 (b)(4)(A)(i), (b)(4)(B)(i), (c)(4)(A)(i),
11 (c)(4)(B)(i), and (d)(4) for the immediate prior
12 fiscal year;

13 “(B) to coastal county-equivalent and mu-
14 nicipal political subdivisions of such State a
15 total of one-third of such State’s allocations
16 under subsections (b)(4)(A)(i), (b)(4)(B)(i),
17 (c)(4)(A)(i), (c)(4)(B)(i), and (d)(4), together
18 with all accrued interest thereon; and

19 “(C) the remaining allocations under sub-
20 sections (b)(4) and (c)(4), together with all ac-
21 crued interest thereon.

22 “(2) ALLOCATIONS TO COASTAL COUNTY-
23 EQUIVALENT POLITICAL SUBDIVISIONS.—The Sec-
24 retary shall make an initial allocation of the OCS



1 Receipts to be shared under paragraph (1)(B) as fol-
2 lows:

3 “(A) 25 percent shall be allocated based on
4 the ratio of such coastal county-equivalent polit-
5 ical subdivision’s population to the coastal pop-
6 ulation of all coastal county-equivalent political
7 subdivisions in the State.

8 “(B) 25 percent shall be allocated based on
9 the ratio of such coastal county-equivalent polit-
10 ical subdivision’s coastline miles to the coastline
11 miles of all coastal county-equivalent political
12 subdivisions in the State as calculated by the
13 Secretary. In such calculations, coastal county-
14 equivalent political subdivisions without a coast-
15 line shall be considered to have 50 percent of
16 the average coastline miles of the coastal coun-
17 ty-equivalent political subdivisions that do have
18 coastlines.

19 “(C) 25 percent shall be allocated to all
20 coastal county-equivalent political subdivisions
21 having a coastline point within 300 miles of the
22 leased tract for which OCS Receipts are being
23 shared based on a formula that allocates the
24 funds based on such coastal county-equivalent



1 political subdivision's relative distance from the
2 leased tract.

3 “(D) 25 percent shall be allocated to all
4 coastal county-equivalent political subdivisions
5 having a coastline point within 300 miles of the
6 leased tract for which OCS Receipts are being
7 shared based on the relative level of outer Con-
8 tinental Shelf oil and gas activities in a coastal
9 political subdivision compared to the level of
10 outer Continental Shelf activities in all coastal
11 political subdivisions in the State. The Sec-
12 retary shall define the term ‘outer Continental
13 Shelf oil and gas activities’ for purposes of this
14 subparagraph to include, but not be limited to,
15 construction of vessels, drillships, and platforms
16 involved in exploration, production, and develop-
17 ment on the outer Continental Shelf; support
18 and supply bases, ports, and related activities;
19 offices of geologists, geophysicists, engineers,
20 and other professionals involved in support of
21 exploration, production, and development of oil
22 and gas on the outer Continental Shelf; pipe-
23 lines and other means of transporting oil and
24 gas production from the outer Continental
25 Shelf; and processing and refining of oil and



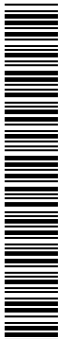
1 gas production from the outer Continental
2 Shelf. For purposes of this subparagraph, if a
3 coastal county-equivalent political subdivision
4 does not have a coastline, its coastal point shall
5 be the point on the coastline closest to it.

6 “(3) ALLOCATIONS TO COASTAL MUNICIPAL PO-
7 LITICAL SUBDIVISIONS.—The initial allocation to
8 each coastal county-equivalent political subdivision
9 under paragraph (2) shall be further allocated to the
10 coastal county-equivalent political subdivision and
11 any coastal municipal political subdivisions located
12 partially or wholly within the boundaries of the
13 coastal county-equivalent political subdivision as fol-
14 lows:

15 “(A) One-third shall be allocated to the
16 coastal county-equivalent political subdivision.

17 “(B) Two-thirds shall be allocated on a per
18 capita basis to the municipal political subdivi-
19 sions and the county-equivalent political sub-
20 division, with the allocation to the latter based
21 upon its population not included within the
22 boundaries of a municipal political subdivision.

23 “(f) INVESTMENT OF DEPOSITS.—Amounts depos-
24 ited under this section shall be invested by the Secretary
25 of the Treasury in securities backed by the full faith and



1 credit of the United States having maturities suitable to
2 the needs of the account in which they are deposited and
3 yielding the highest reasonably available interest rates as
4 determined by the Secretary of the Treasury.

5 “(g) USE OF FUNDS.—A recipient of funds under
6 this section may use the funds for one or more of the fol-
7 lowing:

8 “(1) To reduce in-State college tuition at public
9 institutions of higher learning and otherwise support
10 public education, including career technical edu-
11 cation.

12 “(2) To make transportation infrastructure im-
13 provements.

14 “(3) To reduce taxes.

15 “(4) To promote and provide for—

16 “(A) coastal or environmental restoration;

17 “(B) fish, wildlife, and marine life habitat
18 enhancement;

19 “(C) waterways maintenance;

20 “(D) shore protection; and

21 “(E) marine and oceanographic education
22 and research.

23 “(5) To improve infrastructure associated with
24 energy production activities conducted on the outer
25 Continental Shelf.



1 “(6) To fund energy demonstration projects
2 and supporting infrastructure for energy projects.

3 “(7) For any other purpose as determined by
4 State law.

5 “(h) NO ACCOUNTING REQUIRED.—No recipient of
6 funds under this section shall be required to account to
7 the Federal Government for the expenditure of such
8 funds, except as otherwise may be required by law. Fur-
9 ther, funds allocated under this section to States and polit-
10 ical subdivisions may be used as matching funds for other
11 Federal programs.

12 “(i) EFFECT OF FUTURE LAWS.—Enactment of any
13 future Federal statute that has the effect, as determined
14 by the Secretary, of restricting any Federal agency from
15 spending appropriated funds, or otherwise preventing it
16 from fulfilling its pre-existing responsibilities as of the
17 date of enactment of the statute, unless such responsibil-
18 ities have been reassigned to another Federal agency by
19 the statute with no prevention of performance, to issue
20 any permit or other approval impacting on the OCS oil
21 and gas leasing program, or any lease issued thereunder,
22 or to implement any provision of this Act shall automati-
23 cally prohibit any sharing of OCS Receipts under this sec-
24 tion directly with the States, and their coastal political
25 subdivisions, for the duration of the restriction. The Sec-



1 retary shall make the determination of the existence of
2 such restricting effects within 30 days of a petition by any
3 outer Continental Shelf lessee or producing State.

4 “(j) DEFINITIONS.—In this section:

5 “(1) COASTAL COUNTY-EQUIVALENT POLITICAL
6 SUBDIVISION.—The term ‘coastal county-equivalent
7 political subdivision’ means a political jurisdiction
8 immediately below the level of State government, in-
9 cluding a county, parish, borough in Alaska, inde-
10 pendent municipality not part of a county, parish, or
11 borough in Alaska, or other equivalent subdivision of
12 a coastal State, that lies within the coastal zone.

13 “(2) COASTAL MUNICIPAL POLITICAL SUBDIVI-
14 SION.—The term ‘coastal municipal political subdivi-
15 sion’ means a municipality located within and part
16 of a county, parish, borough in Alaska, or other
17 equivalent subdivision of a State, all or part of which
18 coastal municipal political subdivision lies within the
19 coastal zone.

20 “(3) COASTAL POPULATION.—The term ‘coastal
21 population’ means the population of all coastal coun-
22 ty-equivalent political subdivisions, as determined by
23 the most recent official data of the Census Bureau.

24 “(4) COASTAL ZONE.—The term ‘coastal zone’
25 means that portion of a coastal State, including the



1 entire territory of any coastal county-equivalent po-
2 litical subdivision at least a part of which lies, within
3 75 miles landward from the coastline.

4 “(5) BONUS BIDS.—The term ‘bonus bids’
5 means all funds received by the Secretary to issue
6 an outer Continental Shelf minerals lease.

7 “(6) ROYALTIES.—The term ‘royalties’ means
8 all funds received by the Secretary from production
9 of oil or natural gas, or the sale of production taken
10 in-kind, from an outer Continental Shelf minerals
11 lease.

12 “(7) PRODUCING STATE.—The term ‘producing
13 State’ means an Adjacent State having an Adjacent
14 Zone containing leased tracts from which OCS Re-
15 cepts were derived.

16 “(8) OCS RECEIPTS.—The term ‘OCS Receipts’
17 means bonus bids and royalties.”.

18 **SEC. 6508. REVIEW OF OUTER CONTINENTAL SHELF EXPLO-**
19 **RATION PLANS.**

20 Subsections (c) and (d) of section 11 of the Outer
21 Continental Shelf Lands Act (43 U.S.C. 1340) are amend-
22 ed to read as follows:

23 “(c) PLAN REVIEW; PLAN PROVISIONS.—

24 “(1) Except as otherwise provided in this Act,
25 prior to commencing exploration pursuant to any oil



1 and gas lease issued or maintained under this Act,
2 the holder thereof shall submit an exploration plan
3 (hereinafter in this section referred to as a 'plan') to
4 the Secretary for review which shall include all infor-
5 mation and documentation required under para-
6 graphs (2) and (3). The Secretary shall review the
7 plan for completeness within 10 days of submission.
8 If the Secretary finds that the plan is not complete,
9 the Secretary shall notify the lessee with a detailed
10 explanation and require such modifications of such
11 plan as are necessary to achieve completeness. The
12 Secretary shall have 10 days to review a modified
13 plan for completeness. Such plan may apply to more
14 than one lease held by a lessee in any one region of
15 the outer Continental Shelf, or by a group of lessees
16 acting under a unitization, pooling, or drilling agree-
17 ment, and the lessee shall certify that such plan is
18 consistent with the terms of the lease and is con-
19 sistent with all statutory and regulatory require-
20 ments in effect on the date of issuance of the lease.
21 The Secretary shall have 30 days from the date the
22 plan is deemed complete to conduct a review of the
23 plan. If the Secretary finds the plan is not con-
24 sistent with the lease and all such statutory and reg-
25 ulatory requirements, the Secretary shall notify the



1 lessee with a detailed explanation of such modifica-
2 tions of such plan as are necessary to achieve com-
3 pliance. The Secretary shall have 30 days to review
4 any modified plan submitted by the lessee. The les-
5 see shall not take any action under the exploration
6 plan within the 30-day review period, or thereafter
7 until the plan has been modified to achieve compli-
8 ance as so notified.

9 “(2) An exploration plan submitted under this
10 subsection shall include, in the degree of detail
11 which the Secretary may by regulation require—

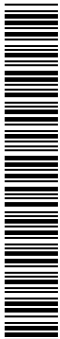
12 “(A) a schedule of anticipated exploration
13 activities to be undertaken;

14 “(B) a description of equipment to be used
15 for such activities;

16 “(C) the general location of each well to be
17 drilled; and

18 “(D) such other information deemed perti-
19 nent by the Secretary.

20 “(3) The Secretary may, by regulation, require
21 that such plan be accompanied by a general state-
22 ment of development and production intentions
23 which shall be for planning purposes only and which
24 shall not be binding on any party.



1 “(d) PLAN REVISIONS; CONDUCT OF EXPLORATION
2 ACTIVITIES.—

3 “(1) If a significant revision of an exploration
4 plan under this subsection is submitted to the Sec-
5 retary, the process to be used for the review of such
6 revision shall be the same as set forth in subsection
7 (c) of this section.

8 “(2) All exploration activities pursuant to any
9 lease shall be conducted in accordance with an explo-
10 ration plan or a revised plan which has been sub-
11 mitted to and reviewed by the Secretary.”.

12 **SEC. 6509. RESERVATION OF LANDS AND RIGHTS.**

13 Section 12 of the Outer Continental Shelf Lands Act
14 (43 U.S.C. 1341) is amended—

15 (1) in subsection (a) by adding at the end the
16 following: “The President may partially or com-
17 pletely revise or revoke any prior withdrawal made
18 by the President under the authority of this section.
19 The President may not revise or revoke a withdrawal
20 that was initiated by a petition from a State and ap-
21 proved by the Secretary of the Interior under sub-
22 section (h). A withdrawal by the President may be
23 for a term not to exceed 10 years. In considering a
24 potential withdrawal under this subsection, to the
25 maximum extent practicable the President shall ac-



1 commodate competing interests and potential uses of
2 the outer Continental Shelf.”;

3 (2) by adding at the end the following:

4 “(g) OPTION TO PETITION FOR LEASING WITHIN
5 CERTAIN AREAS OF THE OUTER CONTINENTAL SHELF.—

6 “(1) PROHIBITION AGAINST LEASING.—Except
7 as otherwise provided in this subsection, prior to
8 June 30, 2012, the Secretary shall not offer for leas-
9 ing for oil and gas, or for natural gas, any area
10 withdrawn from disposition by leasing in the Atlan-
11 tic OCS Region or the Pacific OCS Region, or the
12 Gulf of Mexico OCS Region Eastern Planning Area,
13 as depicted on the map referred to within this para-
14 graph, under the ‘Memorandum on Withdrawal of
15 Certain Areas of the United States Outer Conti-
16 nental Shelf from Leasing Disposition’, 34 Weekly
17 Comp. Pres. Doc. 1111, dated June 12, 1998, or
18 any area not withdrawn under that Memorandum
19 that is included within the Gulf of Mexico OCS Re-
20 gion Eastern Planning Area as indicated on the map
21 entitled ‘Gulf of Mexico OCS Region State Adjacent
22 Zones and OCS Planning Areas’ or within the Flor-
23 ida Straits Planning Area as indicated on the map
24 entitled ‘Atlantic OCS Region State Adjacent Zones
25 and OCS Planning Areas’, both of which are dated



1 September 2005 and on file in the Office of the Di-
2 rector, Minerals Management Service.

3 “(2) REVOCATION OF WITHDRAWAL.—The pro-
4 visions of the ‘Memorandum on Withdrawal of Cer-
5 tain Areas of the United States Outer Continental
6 Shelf from Leasing Disposition’, 34 Weekly Comp.
7 Pres. Doc. 1111, dated June 12, 1998, are hereby
8 revoked and are no longer in effect regarding any
9 areas included within the Gulf of Mexico OCS Re-
10 gion Central Planning Area as indicated on the map
11 entitled ‘Gulf of Mexico OCS Region State Adjacent
12 Zones and OCS Planning Areas’ dated September
13 2005 and on file in the Office of the Director, Min-
14 erals Management Service. The 2002–2007 5-Year
15 Outer Continental Shelf Oil and Gas Leasing Pro-
16 gram is hereby amended to include the areas added
17 to the Gulf of Mexico OCS Region Central Planning
18 Area by this Act to the extent that such areas were
19 included within the original boundaries of proposed
20 Lease Sale 181. The amendment to such leasing
21 program includes two sales in such additional areas,
22 one of which shall be held in January 2007 and one
23 of which shall be held in June 2007. The Final En-
24 vironmental Impact Statement prepared for this
25 area for Lease Sale 181 shall be deemed sufficient



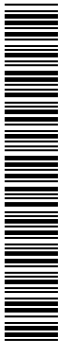
1 for all purposes for each lease sale in which such
2 area is offered for lease during the 2002–2007 5-
3 Year Outer Continental Shelf Oil and Gas Leasing
4 Program without need for supplementation. Any
5 tract only partially added to the Gulf of Mexico OCS
6 Region Central Planning Area by this Act shall be
7 eligible for leasing of the part of such tract that is
8 included within the Gulf of Mexico OCS Region Cen-
9 tral Planning Area, and the remainder of such tract
10 that lies outside of the Gulf of Mexico OCS Region
11 Central Planning Area may be developed and pro-
12 duced by the lessee of such partial tract using ex-
13 tended reach or similar drilling from a location on
14 a leased area.

15 “(3) PETITION FOR LEASING.—

16 “(A) IN GENERAL.—The Governor of the
17 State, upon concurrence of its legislature, may
18 submit to the Secretary a petition requesting
19 that the Secretary make available any area that
20 is within the State’s Adjacent Zone, included
21 within the provisions of paragraph (1), and that
22 (i) is greater than 25 miles from any point on
23 the coastline of a Neighboring State for the
24 conduct of offshore leasing, pre-leasing, and re-
25 lated activities with respect to natural gas leas-



1 ing; or (ii) is greater than 50 miles from any
2 point on the coastline of a Neighboring State
3 for the conduct of offshore leasing, pre-leasing,
4 and related activities with respect to oil and gas
5 leasing. The Adjacent State may also petition
6 for leasing any other area within its Adjacent
7 Zone if leasing is allowed in the similar area of
8 the Adjacent Zone of the applicable Neigh-
9 boring State, or if not allowed, if the Neigh-
10 boring State, acting through its Governor, ex-
11 presses its concurrence with the petition. The
12 Secretary shall only consider such a petition
13 upon making a finding that leasing is allowed
14 in the similar area of the Adjacent Zone of the
15 applicable Neighboring State or upon receipt of
16 the concurrence of the Neighboring State. The
17 date of receipt by the Secretary of such concur-
18 rence by the Neighboring State shall constitute
19 the date of receipt of the petition for that area
20 for which the concurrence applies. A petition
21 for leasing any part of the Alabama Adjacent
22 Zone that is a part of the Gulf of Mexico East-
23 ern Planning Area, as indicated on the map en-
24 titled 'Gulf of Mexico OCS Region State Adja-
25 cent Zones and OCS Planning Areas' which is



1 dated September 2005 and on file in the Office
2 of the Director, Minerals Management Service,
3 shall require the concurrence of both Alabama
4 and Florida.

5 “(B) LIMITATIONS ON LEASING.—In its
6 petition, a State with an Adjacent Zone that
7 contains leased tracts may condition oil and
8 gas, or natural gas, new leasing for tracts with-
9 in 25 miles of the coastline by—

10 “(i) requiring a net reduction in the
11 number of production platforms;

12 “(ii) requiring a net increase in the
13 average distance of production platforms
14 from the coastline;

15 “(iii) limiting permanent surface occu-
16 pancy on new leases to areas that are more
17 than 10 miles from the coastline;

18 “(iv) limiting some tracts to being
19 produced from shore or from platforms lo-
20 cated on other tracts; or

21 “(v) other conditions that the Adja-
22 cent State may deem appropriate as long
23 as the Secretary does not determine that
24 production is made economically or tech-

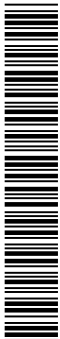


1 nically impracticable or otherwise impos-
2 sible.

3 “(C) ACTION BY SECRETARY.—Not later
4 than 90 days after receipt of a petition under
5 subparagraph (A), the Secretary shall approve
6 the petition, unless the Secretary determines
7 that leasing the area would probably cause seri-
8 ous harm or damage to the marine resources of
9 the State’s Adjacent Zone. Prior to approving
10 the petition, the Secretary shall complete an en-
11 vironmental assessment that documents the an-
12 ticipated environmental effects of leasing in the
13 area included within the scope of the petition.

14 “(D) FAILURE TO ACT.—If the Secretary
15 fails to approve or deny a petition in accordance
16 with subparagraph (C) the petition shall be con-
17 sidered to be approved 90 days after receipt of
18 the petition.

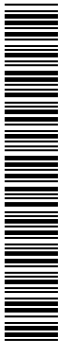
19 “(E) AMENDMENT OF THE 5-YEAR LEAS-
20 ING PROGRAM.—Notwithstanding section 18,
21 within 180 days of the approval of a petition
22 under subparagraph (C) or (D), the Secretary
23 shall amend the current 5-Year Outer Conti-
24 nental Shelf Oil and Gas Leasing Program to
25 include a lease sale or sales for the entire area



1 covered by the approved petition, unless there
2 are, from the date of approval, fewer than 12
3 months remaining in the current 5-Year Leas-
4 ing Program in which case the Secretary shall
5 include the areas covered by the approved peti-
6 tion within lease sales under the next 5-Year
7 Leasing Program. For purposes of amending
8 the 5-Year Program in accordance with this
9 section, further consultations with States shall
10 not be required. The environmental assessment
11 performed under the provisions of the National
12 Environmental Policy Act of 1969 to assess the
13 effects of approving the petition shall be suffi-
14 cient to amend the 5-Year Leasing Program.

15 “(h) OPTION TO PETITION FOR EXTENSION OF
16 WITHDRAWAL FROM LEASING WITHIN CERTAIN AREAS
17 OF THE OUTER CONTINENTAL SHELF.—

18 “(1) IN GENERAL.—The Governor of the State,
19 upon the concurrence of its legislature, may submit
20 to the Secretary petitions requesting that the Sec-
21 retary extend for a period of time of up to 5 years
22 for each petition the withdrawal from leasing for all
23 or part of any area within the State’s Adjacent Zone
24 within 125 miles of the coastline that is subject to
25 subsection (g)(1). A State may petition multiple



1 times for any particular area but not more than
2 once per calendar year for any particular area. A
3 State must submit separate petitions, with separate
4 votes by its legislature, for areas within 50 miles of
5 the coastline, areas more than 50 miles but not ex-
6 ceeding 100 miles from the coastline, and areas ex-
7 ceeding 100 miles but not exceeding 125 miles from
8 the coastline. A petition of a State may apply to ei-
9 ther oil and gas leasing or natural gas leasing, or
10 both, and may request some areas to be withdrawn
11 from all leasing and some areas to be withdrawn
12 only from one type of leasing. A petition for extend-
13 ing the withdrawal from leasing of any part of the
14 Alabama Adjacent Zone that is a part of the Gulf
15 of Mexico OCS Region Eastern Planning Area, as
16 indicated on the map entitled ‘Gulf of Mexico OCS
17 Region State Adjacent Zones and OCS Planning
18 Areas’ which is dated September 2005 and on file in
19 the Office of the Director, Minerals Management
20 Service, may be made by either Alabama or Florida.

21 “(2) ACTION BY SECRETARY.—The Secretary
22 shall perform an environmental assessment under
23 the National Environmental Policy Act of 1969 to
24 assess the effects of approving the petition under
25 paragraph (1). Not later than 90 days after receipt



1 of the petition, the Secretary shall approve the peti-
2 tion, unless the Secretary determines that extending
3 the withdrawal from leasing would probably cause
4 serious harm or damage to the marine resources of
5 the State's Adjacent Zone. The Secretary shall not
6 approve a petition from a State that extends the re-
7 maining period of a withdrawal of an area from leas-
8 ing for a total of more than 10 years. However, the
9 Secretary may approve petitions to extend the with-
10 drawal from leasing of any area ad infinitum, sub-
11 ject only to the limitations contained in this sub-
12 section.

13 “(3) FAILURE TO ACT.—If the Secretary fails
14 to approve or deny a petition in accordance with
15 paragraph (2) the petition shall be considered to be
16 approved 90 days after receipt of the petition.”.

17 **SEC. 6510. OUTER CONTINENTAL SHELF LEASING PRO-**
18 **GRAM.**

19 Section 18 of the Outer Continental Shelf Lands Act
20 (43 U.S.C. 1344) is amended—

21 (1) in subsection (a), by adding at the end of
22 paragraph (3) the following: “The Secretary shall, in
23 each 5-year program, include lease sales that when
24 viewed as a whole propose to offer for oil and gas
25 or natural gas leasing at least 75 percent of the



1 available unleased acreage within each OCS Plan-
2 ning Area. Available unleased acreage is that portion
3 of the outer Continental Shelf that is not under
4 lease at the time of the proposed lease sale, and has
5 not otherwise been made unavailable for leasing by
6 law.”;

7 (2) in subsection (c), by striking so much as
8 precedes paragraph (3) and inserting the following:

9 “(c)(1) During the preparation of any proposed leas-
10 ing program under this section, the Secretary shall con-
11 sider and analyze leasing throughout the entire Outer
12 Continental Shelf without regard to any other law affect-
13 ing such leasing. During this preparation the Secretary
14 shall invite and consider suggestions from any interested
15 Federal agency, including the Attorney General, in con-
16 sultation with the Federal Trade Commission, and from
17 the Governor of any coastal State. The Secretary may also
18 invite or consider any suggestions from the executive of
19 any local government in a coastal State that have been
20 previously submitted to the Governor of such State, and
21 from any other person. Further, the Secretary shall con-
22 sult with the Secretary of Defense regarding military oper-
23 ational needs in the outer Continental Shelf. The Sec-
24 retary shall work with the Secretary of Defense to resolve
25 any conflicts that might arise regarding offering any area



1 of the outer Continental Shelf for oil and gas or natural
2 gas leasing. If the Secretaries are not able to resolve all
3 such conflicts, any unresolved issues shall be elevated to
4 the President for resolution.

5 “(2) After the consideration and analysis required by
6 paragraph (1), including the consideration of the sugges-
7 tions received from any interested Federal agency, the
8 Federal Trade Commission, the Governor of any coastal
9 State, any local government of a coastal State, and any
10 other person, the Secretary shall publish in the Federal
11 Register a proposed leasing program accompanied by a
12 draft environmental impact statement prepared pursuant
13 to the National Environmental Policy Act of 1969. After
14 the publishing of the proposed leasing program and during
15 the comment period provided for on the draft environ-
16 mental impact statement, the Secretary shall submit a
17 copy of the proposed program to the Governor of each af-
18 fected State for review and comment. The Governor may
19 solicit comments from those executives of local govern-
20 ments in the Governor’s State that the Governor, in the
21 discretion of the Governor, determines will be affected by
22 the proposed program. If any comment by such Governor
23 is received by the Secretary at least 15 days prior to sub-
24 mission to the Congress pursuant to paragraph (3) and
25 includes a request for any modification of such proposed



1 program, the Secretary shall reply in writing, granting or
2 denying such request in whole or in part, or granting such
3 request in such modified form as the Secretary considers
4 appropriate, and stating the Secretary's reasons therefor.
5 All such correspondence between the Secretary and the
6 Governor of any affected State, together with any addi-
7 tional information and data relating thereto, shall accom-
8 pany such proposed program when it is submitted to the
9 Congress.”; and

10 (3) by adding at the end the following:

11 “(i) PROJECTION OF STATE AND LOCAL GOVERN-
12 MENT SHARES OF OCS RECEIPTS.—Concurrent with the
13 publication of the scoping notice at the beginning of the
14 development of each 5-year Outer Continental Shelf oil
15 and gas leasing program, or as soon thereafter as possible,
16 the Secretary shall provide to each coastal State, and
17 coastal political subdivisions thereof, a best-efforts projec-
18 tion of the OCS Receipts that the Secretary expects will
19 be shared with each coastal State, and its coastal political
20 subdivisions, using the assumption that the unleased
21 tracts within the State's Adjacent Zone are fully made
22 available for leasing, including long-term projected OCS
23 Receipts. In addition, the Secretary shall include a macro-
24 economic estimate of the impact of such leasing on the
25 national economy and each State's economy, including in-



1 vestment, jobs, revenues, personal income, and other cat-
2 egories.”.

3 **SEC. 6511. COORDINATION WITH ADJACENT STATES.**

4 Section 19 of the Outer Continental Shelf Lands Act
5 (43 U.S.C. 1345) is amended—

6 (1) in subsection (a) in the first sentence by in-
7 serting “, for any tract located within the Adjacent
8 State’s Adjacent Zone,” after “government”; and

9 (2) by adding the following:

10 “(f)(1) No Federal agency may permit or otherwise
11 approve, without the concurrence of the Adjacent State,
12 the construction of a crude oil or petroleum products (or
13 both) pipeline within the part of the Adjacent State’s Ad-
14 jacent Zone that is not available by law for oil and gas
15 or natural gas leasing, except that such a pipeline may
16 be approved to pass through such Adjacent Zone if at least
17 50 percent of the production projected to be carried by
18 the pipeline within its first 10 years of operation is from
19 areas of the Adjacent States Adjacent Zone.

20 “(2) No State may prohibit the construction within
21 its Adjacent Zone or its State waters of a natural gas pipe-
22 line that will transport natural gas produced from the
23 outer Continental Shelf. However, an Adjacent State may
24 prevent a proposed natural gas pipeline landing location
25 if it proposes two alternate landing locations in the Adja-



1 cent State, acceptable to the Adjacent State, located with-
2 in 50 miles on either side of the proposed landing loca-
3 tion.”.

4 **SEC. 6512. ENVIRONMENTAL STUDIES.**

5 Section 20(d) of the Outer Continental Shelf Lands
6 Act (43 U.S.C. 1346) is amended—

7 (1) by inserting “(1)” after “(d)”; and

8 (2) by adding at the end the following:

9 “(2) For all programs, lease sales, leases, and actions
10 under this Act, the following shall apply regarding the ap-
11 plication of the National Environmental Policy Act of
12 1969:

13 “(A) Granting or directing lease suspensions
14 and the conduct of all preliminary activities on outer
15 Continental Shelf tracts, including seismic activities,
16 are categorically excluded from the need to prepare
17 either an environmental assessment or an environ-
18 mental impact statement, and it shall not be re-
19 quired to document why no exceptions to the cat-
20 egorical exclusion apply for activities conducted
21 under the authority of this Act.

22 “(B) The environmental impact statement de-
23 veloped in support of each 5-year oil and gas leasing
24 program provides the environmental analysis for all
25 lease sales to be conducted under the program and



1 such sales shall not be subject to further environ-
2 mental analysis.

3 “(C) Exploration plans shall not be subject to
4 any requirement to prepare an environmental impact
5 statement, and the Secretary may find that explo-
6 ration plans are eligible for categorical exclusion due
7 to the impacts already being considered within an
8 environmental impact statement or due to mitigation
9 measures included within the plan.

10 “(D) Within each OCS Planning Area, after the
11 preparation of the first development and production
12 plan environmental impact statement for a leased
13 tract within the Area, future development and pro-
14 duction plans for leased tracts within the Area shall
15 only require the preparation of an environmental as-
16 sessment unless the most recent development and
17 production plan environmental impact statement
18 within the Area was finalized more than 10 years
19 prior to the date of the approval of the plan, in
20 which case an environmental impact statement shall
21 be required.”.

22 **SEC. 6513. REVIEW OF OUTER CONTINENTAL SHELF DEVEL-**
23 **OPMENT AND PRODUCTION PLANS.**

24 Section 25 of the Outer Continental Shelf Lands Act
25 (43 U.S.C. 1351(a)) is amended to read as follows:



1 **“SEC. 25. REVIEW OF OUTER CONTINENTAL SHELF DEVEL-**
2 **OPMENT AND PRODUCTION PLANS.**

3 “(a) DEVELOPMENT AND PRODUCTION PLANS; SUB-
4 MISSION TO SECRETARY; STATEMENT OF FACILITIES AND
5 OPERATION; SUBMISSION TO GOVERNORS OF AFFECTED
6 STATES AND LOCAL GOVERNMENTS.—

7 “(1) Prior to development and production pur-
8 suant to an oil and gas lease issued on or after Sep-
9 tember 18, 1978, for any area of the outer Conti-
10 nental Shelf, or issued or maintained prior to Sep-
11 tember 18, 1978, for any area of the outer Conti-
12 nental Shelf, with respect to which no oil or gas has
13 been discovered in paying quantities prior to Sep-
14 tember 18, 1978, the lessee shall submit a develop-
15 ment and production plan (hereinafter in this sec-
16 tion referred to as a ‘plan’) to the Secretary for re-
17 view.

18 “(2) A plan shall be accompanied by a state-
19 ment describing all facilities and operations, other
20 than those on the outer Continental Shelf, proposed
21 by the lessee and known by the lessee (whether or
22 not owned or operated by such lessee) that will be
23 constructed or utilized in the development and pro-
24 duction of oil or gas from the lease area, including
25 the location and site of such facilities and oper-
26 ations, the land, labor, material, and energy require-



1 ments associated with such facilities and operations,
2 and all environmental and safety safeguards to be
3 implemented.

4 “(3) Except for any privileged or proprietary
5 information (as such term is defined in regulations
6 issued by the Secretary), the Secretary, within 30
7 days after receipt of a plan and statement, shall—

8 “(A) submit such plan and statement to
9 the Governor of any affected State, and upon
10 request to the executive of any affected local
11 government; and

12 “(B) make such plan and statement avail-
13 able to any appropriate interstate regional enti-
14 ty and the public.

15 “(b) DEVELOPMENT AND PRODUCTION ACTIVITIES
16 IN ACCORDANCE WITH PLAN AS LEASE REQUIREMENT.—
17 After enactment of the Ocean State Options Act of 2005,
18 no oil and gas lease may be issued pursuant to this Act
19 in any region of the outer Continental Shelf, unless such
20 lease requires that development and production activities
21 be carried out in accordance with a plan that complies
22 with the requirements of this section. This section shall
23 also apply to leases that do not have an approved develop-
24 ment and production plan as of the date of enactment of
25 the Ocean State Options Act of 2005.



1 “(c) SCOPE AND CONTENTS OF PLAN.—A plan may
2 apply to more than one oil and gas lease, and shall set
3 forth, in the degree of detail established by regulations
4 issued by the Secretary—

5 “(1) the general work to be performed;

6 “(2) a description of all facilities and operations
7 located on the outer Continental Shelf that are pro-
8 posed by the lessee or known by the lessee (whether
9 or not owned or operated by such lessee) to be di-
10 rectly related to the proposed development, including
11 the location and size of such facilities and oper-
12 ations, and the land, labor, material, and energy re-
13 quirements associated with such facilities and oper-
14 ations;

15 “(3) the environmental safeguards to be imple-
16 mented on the outer Continental Shelf and how such
17 safeguards are to be implemented;

18 “(4) all safety standards to be met and how
19 such standards are to be met;

20 “(5) an expected rate of development and pro-
21 duction and a time schedule for performance; and

22 “(6) such other relevant information as the Sec-
23 retary may by regulation require.

24 “(d) COMPLETENESS REVIEW OF THE PLAN.—

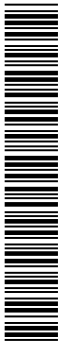


1 “(1) Prior to commencing any activity under a
2 development and production plan pursuant to any oil
3 and gas lease issued or maintained under this Act,
4 the lessee shall certify that the plan is consistent
5 with the terms of the lease and that it is consistent
6 with all statutory and regulatory requirements in ef-
7 fect on the date of issuance of the lease. The plan
8 shall include all required information and docu-
9 mentation required under subsection (c).

10 “(2) The Secretary shall review the plan for
11 completeness within 30 days of submission. If the
12 Secretary finds that the plan is not complete, the
13 Secretary shall notify the lessee with a detailed ex-
14 planation of such modifications of such plan as are
15 necessary to achieve completeness. The Secretary
16 shall have 30 days to review a modified plan for
17 completeness.

18 “(e) REVIEW FOR CONSISTENCY OF THE PLAN.—

19 “(1) After a determination that a plan is com-
20 plete, the Secretary shall have 120 days to conduct
21 a review of the plan, to ensure that it is consistent
22 with the terms of the lease, and that it is consistent
23 with all such statutory and regulatory requirements
24 applicable to the lease. If the Secretary finds that
25 the plan is not consistent, the Secretary shall notify



1 the lessee with a detailed explanation of such modi-
2 fications of such plan as are necessary to achieve
3 consistency.

4 “(2) The Secretary shall have 120 days to re-
5 view a modified plan.

6 “(3) The lessee shall not conduct any activities
7 under the plan during any 120-day review period, or
8 thereafter until the plan has been modified to
9 achieve compliance as so notified.

10 “(4) After review by the Secretary provided for
11 by this section, a lessee may operate pursuant to the
12 plan without further review or approval by the Sec-
13 retary.

14 “(f) REVIEW OF REVISION OF THE APPROVED
15 PLAN.—The lessee may submit to the Secretary any revi-
16 sion of a plan if the lessee determines that such revision
17 will lead to greater recovery of oil and natural gas, im-
18 prove the efficiency, safety, and environmental protection
19 of the recovery operation, is the only means available to
20 avoid substantial economic hardship to the lessee, or is
21 otherwise not inconsistent with the provisions of this Act,
22 to the extent such revision is consistent with protection
23 of the human, marine, and coastal environments. The
24 process to be used for the review of any such revision shall
25 be the same as that set forth in subsections (d) and (e).



1 “(g) CANCELLATION OF LEASE ON FAILURE TO SUB-
2 MIT PLAN OR COMPLY WITH A PLAN.—Whenever the
3 owner of any lease fails to submit a plan in accordance
4 with regulations issued under this section, or fails to com-
5 ply with a plan, the lease may be canceled in accordance
6 with section 5(c) and (d). Termination of a lease because
7 of failure to comply with a plan, including required modi-
8 fications or revisions, shall not entitle a lessee to any com-
9 pensation.

10 “(h) PRODUCTION AND TRANSPORTATION OF NAT-
11 URAL GAS; SUBMISSION OF PLAN TO FEDERAL ENERGY
12 REGULATORY COMMISSION; IMPACT STATEMENT.—If any
13 development and production plan submitted to the Sec-
14 retary pursuant to this section provides for the production
15 and transportation of natural gas, the lessee shall contem-
16 poraneously submit to the Federal Energy Regulatory
17 Commission that portion of such plan that relates to the
18 facilities for transportation of natural gas. The Secretary
19 and the Federal Energy Regulatory Commission shall
20 agree as to which of them shall prepare an environmental
21 impact statement pursuant to the National Environmental
22 Policy Act of 1969 (42 U.S.C. 4321 et seq.) applicable
23 to such portion of such plan, or conduct studies as to the
24 effect on the environment of implementing it. Thereafter,
25 the findings and recommendations by the agency pre-



1 paring such environmental impact statement or con-
2 ducting such studies pursuant to such agreement shall be
3 adopted by the other agency, and such other agency shall
4 not independently prepare another environmental impact
5 statement or duplicate such studies with respect to such
6 portion of such plan, but the Federal Energy Regulatory
7 Commission, in connection with its review of an applica-
8 tion for a certificate of public convenience and necessity
9 applicable to such transportation facilities pursuant to sec-
10 tion 7 of the Natural Gas Act (15 U.S.C. 717f), may pre-
11 pare such environmental studies or statement relevant to
12 certification of such transportation facilities as have not
13 been covered by an environmental impact statement or
14 studies prepared by the Secretary. The Secretary, in con-
15 sultation with the Federal Energy Regulatory Commis-
16 sion, shall promulgate rules to implement this subsection,
17 but the Federal Energy Regulatory Commission shall re-
18 tain sole authority with respect to rules and procedures
19 applicable to the filing of any application with the Com-
20 mission and to all aspects of the Commission's review of,
21 and action on, any such application."



1 **SEC. 6514. FEDERAL ENERGY NATURAL RESOURCES EN-**
2 **HANCEMENT FUND ACT OF 2005.**

3 (a) SHORT TITLE.—This section may be cited as the
4 “Federal Energy Natural Resources Enhancement Fund
5 Act of 2005”.

6 (b) FINDINGS.—The Congress finds the following:

7 (1) Energy and minerals exploration, develop-
8 ment, and production on Federal onshore and off-
9 shore lands, including bio-based fuel, natural gas,
10 minerals, oil, geothermal, and power from wind,
11 waves, currents, and thermal energy, involves signifi-
12 cant outlays of funds by Federal and State wildlife,
13 fish, and natural resource management agencies for
14 environmental studies, planning, development, moni-
15 toring, and management of wildlife, fish, air, water,
16 and other natural resources.

17 (2) State wildlife, fish, and natural resource
18 management agencies are funded primarily through
19 permit and license fees paid to the States by the
20 general public to hunt and fish, and through Federal
21 excise taxes on equipment used for these activities.

22 (3) Funds generated from consumptive and rec-
23 reational uses of wildlife, fish, and other natural re-
24 sources currently are inadequate to address the nat-
25 ural resources related to energy and minerals devel-
26 opment on Federal onshore and offshore lands.



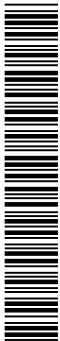
1 (4) Funds available to Federal agencies respon-
2 sible for managing Federal onshore and offshore
3 lands and Federal-trust wildlife and fish species and
4 their habitats are inadequate to address the natural
5 resources related to energy and minerals develop-
6 ment on Federal onshore and offshore lands.

7 (5) Receipts derived from sales, bonus bids, and
8 royalties under the mineral leasing laws of the
9 United States are paid to the Treasury through the
10 Minerals Management Service of the Department of
11 the Interior.

12 (6) None of the receipts derived from sales,
13 bonus bids, and royalties under the minerals leasing
14 laws of the United States are paid to the Federal or
15 State agencies to examine, monitor, and manage
16 wildlife, fish, air, water, and other natural resources
17 related to natural gas, oil, and mineral exploration
18 and development.

19 (c) PURPOSES.—It is the purpose of this section to—

20 (1) establish a fund for the monitoring and
21 management of wildlife and fish, and their habitats,
22 and air, water, and other natural resources related
23 to energy and minerals development on Federal on-
24 shore and offshore lands;

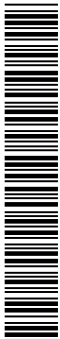


1 (2) make available receipts derived from sales,
2 bonus bids, and royalties from onshore and offshore
3 gas, mineral, oil, and any additional form of energy
4 exploration and development under the laws of the
5 United States for the purposes of such fund;

6 (3) distribute funds from such fund each fiscal
7 year to the Secretary of the Interior and the States;
8 and

9 (4) use the distributed funds to secure the nec-
10 essary trained workforce or contractual services to
11 conduct environmental studies, planning, develop-
12 ment, monitoring, and post-development manage-
13 ment of wildlife and fish and their habitats and air,
14 water, and other natural resources that may be re-
15 lated to bio-based fuel, gas, mineral, oil, wind, or
16 other energy exploration, development, transpor-
17 tation, transmission, and associated activities on
18 Federal onshore and offshore lands, including, but
19 not limited to—

20 (A) pertinent research, surveys, and envi-
21 ronmental analyses conducted to identify any
22 impacts on wildlife, fish, air, water, and other
23 natural resources from energy and mineral ex-
24 ploration, development, production, and trans-
25 portation or transmission;



1 (B) projects to maintain, improve, or en-
2 hance wildlife and fish populations and their
3 habitats or air, water, or other natural re-
4 sources, including activities under the Endan-
5 gered Species Act of 1973;

6 (C) research, surveys, environmental anal-
7 yses, and projects that assist in managing, in-
8 cluding mitigating either onsite or offsite, or
9 both, the impacts of energy and mineral activi-
10 ties on wildlife, fish, air, water, and other nat-
11 ural resources; and

12 (D) projects to teach young people to live
13 off the land.

14 (d) DEFINITIONS.—In this section:

15 (1) ENHANCEMENT FUND.—The term “En-
16 hancement Fund” means the Federal Energy Nat-
17 ural Resources Enhancement Fund established by
18 subsection (e).

19 (2) STATE.—The term “State” means the State
20 government agency primarily responsible for fish
21 and wildlife trust resources within a State.

22 (e) ESTABLISHMENT AND USE OF FEDERAL ENERGY
23 NATURAL RESOURCES ENHANCEMENT FUND.—

24 (1) ENHANCEMENT FUND.—There is estab-
25 lished in the Treasury a separate account to be



1 known as the “Federal Energy Natural Resources
2 Enhancement Fund”.

3 (2) FUNDING.—The Secretary of the Treasury
4 shall deposit in the Enhancement Fund—

5 (A) such sums as are provided by sections
6 9(b)(4)(A)(ii), 9(b)(4)(B)(ii), 9(c)(4)(A)(ii), and
7 9(c)(4)(B)(ii) of the Outer Continental Shelf
8 Lands Act, as amended by this Act;

9 (B)(i) during the period of October 1,
10 2006, through September 30, 2015, 0.5 percent
11 of all sums paid into the Treasury under sec-
12 tion 35 of the Mineral Leasing Act (30 U.S.C.
13 191), and

14 (ii) beginning October 1, 2015, and there-
15 after, 2.5 percent of all sums paid into the
16 Treasury under section 35 of the Mineral Leas-
17 ing Act (30 U.S.C. 191); and

18 (C)(i) during the period of October 1,
19 2006, through September 30, 2015, 0.5 percent
20 of all sums paid into the Treasury from receipts
21 derived from bonus bids and royalties from
22 other mineral leasing on public lands, and

23 (ii) beginning October 1, 2015, and there-
24 after, 2.5 percent of all sums paid into the
25 Treasury from receipts derived from bonus bids



1 and royalties from other mineral leasing on
2 public lands.

3 (3) INVESTMENTS.—The Secretary of the
4 Treasury shall invest the amounts deposited under
5 paragraph (2) and all accrued interest on the
6 amounts deposited under paragraph (2) only in in-
7 terest bearing obligations of the United States or in
8 obligations guaranteed as to both principal and in-
9 terest by the United States.

10 (4) PAYMENT TO SECRETARY OF THE INTE-
11 RIOR.—

12 (A) IN GENERAL.—Beginning with fiscal
13 year 2007, and in each fiscal year thereafter,
14 one-third of amounts deposited into the En-
15 hancement Fund, together with the interest
16 thereon, shall be available, without fiscal year
17 limitations, to the Secretary of the Interior for
18 use for the purposes described in (c)(4).

19 (B) WITHDRAWALS AND TRANSFER OF
20 FUNDS.—The Secretary of the Treasury shall
21 withdraw such amounts from the Enhancement
22 Fund as the Secretary of the Interior may re-
23 quest, subject to the limitation in (A), and
24 transfer such amounts to the Secretary of the
25 Interior to be used, at the discretion of the Sec-



1 retary of the Interior, by the Minerals Manage-
2 ment Service, the Bureau of Land Manage-
3 ment, and the United States Fish and Wildlife
4 Service for use for the purposes described in
5 subsection (c)(4).

6 (5) PAYMENT TO STATES.—

7 (A) IN GENERAL.—Beginning with fiscal
8 year 2007, and in each fiscal year thereafter,
9 two-thirds of amounts deposited into the En-
10 hancement Fund, together with the interest
11 thereon, shall be available, without fiscal year
12 limitations, to the States for use for the pur-
13 poses described in (c)(4).

14 (B) WITHDRAWALS AND TRANSFER OF
15 FUNDS.—Within the first 90 days of each fiscal
16 year, the Secretary of the Treasury shall with-
17 draw amounts from the Enhancement Fund
18 and transfer such amounts to the States based
19 on the proportion of all receipts that were col-
20 lected the previous fiscal year from Federal
21 leases within the boundaries of each State and
22 each State's outer Continental Shelf Adjacent
23 Zone as determined in accordance with section
24 4(a) of the Outer Continental Shelf Lands Act
25 (43 U.S.C. 1333(a)), as amended by this Act.



1 (C) USE OF PAYMENTS BY STATE.—Each
2 State shall use the payments made under sub-
3 paragraph (B) only for carrying out projects
4 and programs for the purposes described in
5 (c)(4).

6 (D) ENCOURAGE USE OF PRIVATE FUNDS
7 BY STATE.—Each State shall use the payments
8 made under subparagraph (B) to leverage pri-
9 vate funds for carrying out projects for the pur-
10 poses described in (c)(4).

11 (f) LIMITATION ON USE.—Amounts available under
12 this section may not be used for the purchase of any inter-
13 est in land.

14 (g) REPORTS TO CONGRESS.—

15 (1) IN GENERAL.—Beginning in fiscal year
16 2008 and continuing for each fiscal year thereafter,
17 the Secretary of the Interior and each State receiv-
18 ing funds from the Enhancement Fund shall submit
19 a report to the Committee on Energy and Natural
20 Resources of the Senate and the Committee on Re-
21 sources of the House of Representatives.

22 (2) REQUIRED INFORMATION.—Reports sub-
23 mitted to the Congress by the Secretary of the Inte-
24 rior and States under this subsection shall include



1 the following information regarding expenditures
2 during the previous fiscal year:

3 (A) A summary of pertinent scientific re-
4 search and surveys conducted to identify im-
5 pacts on wildlife, fish, and other natural re-
6 sources from energy and mineral developments.

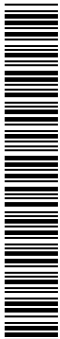
7 (B) A summary of projects planned and
8 completed to maintain, improve or enhance
9 wildlife and fish populations and their habitats
10 or other natural resources.

11 (C) A list of additional actions that assist,
12 or would assist, in managing, including miti-
13 gating either onsite or offsite, or both, the im-
14 pacts of energy and mineral development on
15 wildlife, fish, and other natural resources.

16 (D) A summary of private (non-Federal)
17 funds used to plan, conduct, and complete the
18 plans and programs identified in paragraphs
19 (2)(A) and (2)(B).

20 **SEC. 6515. TERMINATION OF EFFECT OF LAWS PROHIB-**
21 **ITING THE SPENDING OF APPROPRIATED**
22 **FUNDS FOR CERTAIN PURPOSES.**

23 All provisions of existing Federal law prohibiting the
24 spending of appropriated funds to conduct oil and natural



1 gas leasing and preleasing activities for any area of the
2 outer Continental Shelf shall have no force or effect.

3 **SEC. 6516. OUTER CONTINENTAL SHELF INCOMPATIBLE**
4 **USE.**

5 (a) IN GENERAL.—No Federal agency may permit
6 construction or operation (or both) of any facility, or des-
7 ignate or maintain a restricted transportation corridor or
8 operating area on the Federal outer Continental Shelf or
9 in State waters, that will be incompatible with, as deter-
10 mined by the Secretary of the Interior, oil and gas or nat-
11 ural gas leasing and substantially full exploration and pro-
12 duction of tracts that are geologically prospective for oil
13 or natural gas (or both), unless the facility, transportation
14 corridor, or operating area, respectively, is to be located
15 in an area of the outer Continental Shelf that is unavail-
16 able for oil and gas or natural gas leasing by operation
17 of law.

18 (b) EXCEPTIONS.—The President may grant an ex-
19 ception to subsection (a) after a finding that such excep-
20 tion is required in the national interest.

21 **SEC. 6517. REPURCHASE OF CERTAIN LEASES.**

22 (a) AUTHORITY TO REPURCHASE AND CANCEL CER-
23 TAIN LEASES.—The Secretary of the Interior shall repur-
24 chase and cancel any Federal oil and gas, geothermal,
25 coal, oil shale, tar sands, or other mineral lease, whether



1 onshore or offshore, if the Secretary finds that such lease
2 qualifies for repurchase and cancellation under the regula-
3 tions authorized by this section.

4 (b) REGULATIONS.—Not later than 365 days after
5 the date of the enactment of this Act, the Secretary shall
6 publish a final regulation stating the conditions under
7 which a lease referred to in subsection (a) would qualify
8 for repurchase and cancellation, and the process to be fol-
9 lowed regarding repurchase and cancellation. Such regula-
10 tion shall include, but not be limited to, the following:

11 (1) The Secretary shall repurchase and cancel
12 a lease after written request by the lessee upon a
13 finding by the Secretary that—

14 (A) a request by the lessee for a required
15 permit or other approval complied with applica-
16 ble law, except the Coastal Zone Management
17 Act of 1972 (16 U.S.C. 1451 et seq.), and
18 terms of the lease and such permit or other ap-
19 proval was denied;

20 (B) a Federal agency failed to act on a re-
21 quest by the lessee for a required permit, other
22 approval, or administrative appeal within a reg-
23 ulatory or statutory time-frame associated with
24 the requested action, whether advisory or man-
25 datory, or if none, within 180 days; or



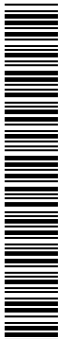
1 (C) a Federal agency attached a condition
2 of approval, without agreement by the lessee, to
3 a required permit or other approval if such con-
4 dition of approval was not mandated by Federal
5 statute or regulation in effect on the date of
6 lease issuance, or was not specifically allowed
7 under the terms of the lease.

8 (2) A lessee shall not be required to exhaust ad-
9 ministrative remedies regarding a permit request,
10 administrative appeal, or other required request for
11 approval for the purposes of this section.

12 (3) The Secretary shall make a final agency de-
13 cision on a request by a lessee under this section
14 within 180 days of request.

15 (4) Compensation to a lessee to repurchase and
16 cancel a lease under this section shall be the amount
17 that a lessee would receive in a restitution case for
18 a material breach of contract.

19 (5) Compensation shall be in the form of a
20 check or electronic transfer from the Department of
21 the Treasury from funds deposited into miscella-
22 neous receipts under the authority of the same Act
23 that authorized the issuance of the lease being re-
24 purchased.



1 (6) Failure of the Secretary to make a final
2 agency decision on a request by a lessee under this
3 section within 180 days of request shall result in a
4 10 percent increase in the compensation due to the
5 lessee if the lease is ultimately repurchased.

6 (c) NO PREJUDICE.—This section shall not be inter-
7 preted to prejudice any other rights that the lessee would
8 have in the absence of this section.

9 **SEC. 6518. OFFSITE ENVIRONMENTAL MITIGATION.**

10 Notwithstanding any other provision of law, any per-
11 son conducting activities under the Mineral Leasing Act
12 (30 U.S.C. 181 et seq.), the Geothermal Steam Act (30
13 U.S.C. 1001 et seq.), the Mineral Leasing Act for Ac-
14 quired Lands (30 U.S.C. 351 et seq.), the Weeks Act (16
15 U.S.C. 552 et seq.), the General Mining Act of 1872 (30
16 U.S.C. 22 et seq.), the Materials Act of 1947 (30 U.S.C.
17 601 et seq.), or the Outer Continental Shelf Lands Act
18 (43 U.S.C. 1331 et seq.), may in satisfying any mitigation
19 requirements associated with such activities propose miti-
20 gation measures on a site away from the area impacted
21 and the Secretary of the Interior shall accept these pro-
22 posed measures if the Secretary finds that they generally
23 achieve the purposes for which mitigation measures apper-
24 tained.



1 **SEC. 6519. AMENDMENTS TO THE MINERAL LEASING ACT.**

2 Section 17(g) of the Mineral Leasing Act (30 U.S.C.
3 226(g)) is amended to read as follows:

4 “(g) REGULATION OF SURFACE-DISTURBING ACTIVI-
5 TIES.—

6 “(1) REGULATION OF SURFACE-DISTURBING
7 ACTIVITIES.—The Secretary of the Interior, or for
8 National Forest lands, the Secretary of Agriculture,
9 shall regulate all surface-disturbing activities con-
10 ducted pursuant to any lease issued under this Act,
11 and shall determine reclamation and other actions as
12 required in the interest of conservation of surface re-
13 sources.

14 “(2) SUBMISSION OF EXPLORATION PLAN; COM-
15 PLETION REVIEW; COMPLIANCE REVIEW.—

16 “(A) Prior to beginning oil and gas explo-
17 ration activities, a lessee shall submit an explo-
18 ration plan to the Secretary of the Interior for
19 review.

20 “(B) The Secretary shall review the plan
21 for completeness within 10 days of submission.

22 “(C) In the event the exploration plan is
23 determined to be incomplete, the Secretary shall
24 notify the lessee in writing and specify the
25 items or information needed to complete the ex-
26 ploration plan.



1 “(D) The Secretary shall have 10 days to
2 review any modified exploration plan submitted
3 by the lessee.

4 “(E) To be deemed complete, an explo-
5 ration plan shall include, in the degree of detail
6 to be determined by the Secretary by rule or
7 regulation—

8 “(i) a drilling plan containing a de-
9 scription of the drilling program;

10 “(ii) the surface and projected com-
11 pletion zone location;

12 “(iii) pertinent geologic data;

13 “(iv) expected hazards, and proposed
14 mitigation measures to address such haz-
15 ards;

16 “(v) a schedule of anticipated explo-
17 ration activities to be undertaken;

18 “(vi) a description of equipment to be
19 used for such activities;

20 “(vii) a certification from the lessee
21 stating that the exploration plan complies
22 with all lease, regulatory and statutory re-
23 quirements in effect on the date of the
24 issuance of the lease;



1 “(viii) evidence that the lessee has se-
2 cured an adequate bond, surety, or other
3 financial arrangement prior to commence-
4 ment of any surface disturbing activity;

5 “(ix) a plan that details the complete
6 and timely reclamation of the lease tract;
7 and

8 “(x) such other relevant information
9 as the Secretary may by regulation require.

10 “(F) Upon a determination that the explo-
11 ration plan is complete, the Secretary shall have
12 30 days from the date the plan is deemed com-
13 plete to conduct a review of the plan.

14 “(G) If the Secretary finds the exploration
15 plan is not consistent with all statutory and
16 regulatory requirements in effect on the date of
17 issuance of the lease, the Secretary shall notify
18 the lessee with a detailed explanation of such
19 modifications of the exploration plan as are nec-
20 essary to achieve compliance.

21 “(H) The lessee shall not take any action
22 under the exploration plan within a 30 day re-
23 view period, or thereafter until the plan has
24 been modified to achieve compliance as so noti-
25 fied.



1 “(I) After review by the Secretary provided
2 by this subsection, a lessee may operate pursu-
3 ant to the plan without further review or ap-
4 proval by the Secretary.

5 “(3) PLAN REVISIONS; CONDUCT OF EXPLO-
6 RATION ACTIVITIES.—

7 “(A) If a significant revision of an explo-
8 ration plan under this subsection is submitted
9 to the Secretary, the process to be used for the
10 review of such revision shall be the same as set
11 forth in paragraph (1) of this subsection.

12 “(B) All exploration activities pursuant to
13 any lease shall be conducted in accordance with
14 an exploration plan that has been submitted to
15 and reviewed by the Secretary or a revision of
16 such plan.

17 “(4) SUBMISSION OF DEVELOPMENT AND PRO-
18 DUCTION PLAN; COMPLETENESS REVIEW; COMPLI-
19 ANCE REVIEW.—

20 “(A) Prior to beginning oil and gas devel-
21 opment and production activities, a lessee shall
22 submit a development and exploration plan to
23 the Secretary of the Interior. Upon submission,
24 such plans shall be subject to a review for com-
25 pleteness.



1 “(B) The Secretary shall review the plan
2 for completeness within 30 days of submission.

3 “(C) In the event a development and pro-
4 duction plan is determined to be incomplete, the
5 Secretary shall notify the lessee in writing and
6 specify the items or information needed to com-
7 plete the plan.

8 “(D) The Secretary shall have 30 days to
9 review for completeness any modified develop-
10 ment and production plan submitted by the les-
11 see.

12 “(E) To be deemed complete, a develop-
13 ment and production plan shall include, in the
14 degree of detail to be determined by the Sec-
15 retary by rule or regulation—

16 “(i) a drilling plan containing a de-
17 scription of the drilling program;

18 “(ii) the surface and projected com-
19 pletion zone location;

20 “(iii) pertinent geologic data;

21 “(iv) expected hazards, and proposed
22 mitigation measures to address such haz-
23 ards;

24 “(v) a statement describing all facili-
25 ties and operations proposed by the lessee



1 and known by the lessee (whether or not
2 owned or operated by such lessee) that
3 shall be constructed or utilized in the de-
4 velopment and production of oil or gas
5 from the leases areas, including the loca-
6 tion and site of such facilities and oper-
7 ations, the land, labor, material, and en-
8 ergy requirements associated with such fa-
9 cilities and operations;

10 “(vi) the general work to be per-
11 formed;

12 “(vii) the environmental safeguards to
13 be implemented in connection with the de-
14 velopment and production and how such
15 safeguards are to be implemented;

16 “(viii) all safety standards to be met
17 and how such standards are to be met;

18 “(ix) an expected rate of development
19 and production and a time schedule for
20 performance;

21 “(x) a certification from the lessee
22 stating that the development and produc-
23 tion plan complies with all lease, regu-
24 latory, and statutory requirements in effect
25 on the date of issuance of the lease;



1 “(xi) evidence that the lessee has se-
2 cured an adequate bond, surety, or other
3 financial arrangement prior to commence-
4 ment of any surface disturbing activity;

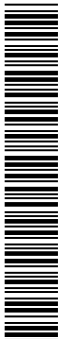
5 “(xii) a plan that details the complete
6 and timely reclamation of the lease tract;
7 and

8 “(xiii) such other relevant information
9 as the Secretary may by regulation require.

10 “(F) Upon a determination that the devel-
11 opment and production plan is complete, the
12 Secretary shall have 120 days from the date the
13 plan is deemed complete to conduct a review of
14 the plan.

15 “(G) If the Secretary finds the develop-
16 ment and production plan is not consistent with
17 all statutory and regulatory requirements in ef-
18 fect on the date of issuance of the lease, the
19 Secretary shall notify the lessee with a detailed
20 explanation of such modifications of the devel-
21 opment and production plan as are necessary to
22 achieve compliance.

23 “(H) The lessee shall not take any action
24 under the development and production plan
25 within a 120 day review period, or thereafter



1 until the plan has been modified to achieve
2 compliance as so notified.

3 “(5) PLAN REVISIONS; CONDUCT OF DEVELOP-
4 MENT AND PRODUCTION ACTIVITIES.—

5 “(A) If a significant revision of a develop-
6 ment and production plan under this subsection
7 is submitted to the Secretary, the process to be
8 used for the review of such revision shall be the
9 same as set forth in paragraph (4) of this sub-
10 section.

11 “(B) All development and production ac-
12 tivities pursuant to any lease shall be conducted
13 in accordance with an exploration plan that has
14 been submitted to and reviewed by the Sec-
15 retary or a revision of such plan.

16 “(6) CANCELLATION OF LEASE ON FAILURE TO
17 SUBMIT PLAN OR COMPLY WITH APPROVED PLAN.—

18 Whenever the owner of any lease fails to submit a
19 plan in accordance with regulations issued under
20 this section, or fails to comply with a plan, the lease
21 may be canceled in accordance with section 31. Ter-
22 mination of a lease because of failure to comply with
23 a plan, including required modifications or revisions,
24 shall not entitle a lessee to any compensation.”.



1 **SEC. 6520. MINERALS MANAGEMENT SERVICE.**

2 The bureau known as the “Minerals Management
3 Service” in the Department of the Interior shall be known
4 as the “National Ocean Energy and Royalty Service”. The
5 Director of such shall be assisted by only one deputy direc-
6 tor, who shall be a non-career employee within the Senior
7 Executive Service.

8 **SEC. 6521. AUTHORITY TO USE DECOMMISSIONED OFF-**
9 **SHORE OIL AND GAS PLATFORMS AND**
10 **OTHER FACILITIES FOR MARICULTURE, ARTI-**
11 **FICIAL REEF, SCIENTIFIC RESEARCH, OR**
12 **OTHER USES.**

13 (a) SHORT TITLE.—This section may be cited as the
14 “Rigs to Reefs Act of 2005”.

15 (b) IN GENERAL.—The Outer Continental Shelf
16 Lands Act (43 U.S.C. 1301 et seq.) is amended by insert-
17 ing after section 9 the following:

18 **“SEC. 10. USE OF DECOMMISSIONED OFFSHORE OIL AND**
19 **GAS PLATFORMS AND OTHER FACILITIES**
20 **FOR MARICULTURE, ARTIFICIAL REEF, SCI-**
21 **ENTIFIC RESEARCH, OR OTHER USES.**

22 “(a) IN GENERAL.—The Secretary shall issue regula-
23 tions under which the Secretary may authorize use of an
24 offshore oil and gas platform or other facility that is de-
25 commissioned from service for oil and gas purposes for



1 culture of marine organisms, an artificial reef, scientific
2 research, or any other use authorized under section 8(p).

3 “(b) TRANSFER REQUIREMENTS.—The Secretary
4 shall not allow the transfer of a decommissioned offshore
5 oil and gas platform or other facility to another person
6 unless the Secretary is satisfied that the transferee is suf-
7 ficiently bonded, endowed, or otherwise financially able to
8 fulfill its obligations, including but not limited to—

9 “(1) ongoing maintenance of the platform or
10 other facility;

11 “(2) any liability obligations that might arise;

12 “(3) removal of the platform or other facility if
13 determined necessary by the Secretary; and

14 “(4) any other requirements and obligations
15 that the Secretary may deem appropriate by regula-
16 tion.

17 “(c) PLUGGING AND ABANDONMENT.—The Sec-
18 retary shall ensure that obligations of a lessee regarding
19 the plugging and abandonment of wells are unaffected by
20 implementation of this section.

21 “(d) POTENTIAL TO PETITION TO OPT-OUT OF REG-
22 ULATIONS.—An Adjacent State acting through a resolu-
23 tion of its legislature, with concurrence of its Governor,
24 may petition to opt-out of the application of regulations
25 promulgated under this section to platforms and other fa-



1 cilities located in the area of its Adjacent Zone within 25
2 miles of the coastline. The Secretary is authorized to ex-
3 cept such area from the application of such regulations,
4 and shall approve such petition, unless the Secretary finds
5 that approving the petition would probably cause serious
6 harm or damage to the marine resources of the State's
7 Adjacent Zone. Prior to acting on the petition, the Sec-
8 retary shall complete an environmental assessment that
9 documents the anticipated environmental effects of ap-
10 proving the petition.

11 “(e) LIMITATION ON LIABILITY.—A person that had
12 used an offshore oil and gas platform or other facility for
13 oil and gas purposes and that no longer has any ownership
14 or control of the platform or other facility shall not be
15 liable under Federal law for any costs or damages arising
16 from such platform or other facility after the date the plat-
17 form or other facility is used for any purpose under sub-
18 section (a), unless such costs or damages arise from—

19 “(1) use of the platform or other facility by the
20 person for development or production of oil or gas;
21 or

22 “(2) another act or omission of the person.

23 “(f) OTHER LEASING AND USE NOT AFFECTED.—
24 This section, and the use of any offshore oil and gas plat-



1 form or other facility for any purpose under subsection
2 (a), shall not affect—

3 “(1) the authority of the Secretary to lease any
4 area under this Act; or

5 “(2) any activity otherwise authorized under
6 this Act.”.

7 (c) DEADLINE FOR REGULATIONS.—The Secretary of
8 the Interior shall issue regulations under subsection (b)
9 by not later than 180 days after the date of the enactment
10 of this Act.

11 (d) STUDY AND REPORT ON EFFECTS OF REMOVAL
12 OF PLATFORMS.—Not later than one year after the date
13 of enactment of this Act, the Secretary of the Interior,
14 in consultation with other Federal agencies as the Sec-
15 retary deems advisable, shall study and report to the Con-
16 gress regarding how the removal of offshore oil and gas
17 platforms and other facilities from the outer Continental
18 Shelf would affect existing fish stocks and coral popu-
19 lations.

20 **SEC. 6522. REPEAL OF REQUIREMENT TO CONDUCT COM-**
21 **PREHENSIVE INVENTORY OF OCS OIL AND**
22 **NATURAL GAS RESOURCES.**

23 The Energy Policy Act of 2005 (Public Law 109–
24 58) is amended—



1 (1) by repealing section 357 (119 Stat. 720; 42
2 U.S.C. 15912); and

3 (2) in the table of contents in section 1(b), by
4 striking the item relating to such section 357.

5 **SEC. 6523. MINING AND PETROLEUM SCHOOLS.**

6 (a) FEDERAL ENERGY AND MINERAL RESOURCES
7 PROFESSIONAL DEVELOPMENT FUND.—

8 (1) PROFESSIONAL DEVELOPMENT FUND.—

9 There is established in the Treasury a separate ac-
10 count to be known as the “Federal Energy And
11 Mineral Resources Professional Development Fund”
12 (in this section referred to as the “Professional De-
13 velopment Fund”).

14 (2) FUNDING.—The Secretary of the Treasury
15 shall deposit in the Professional Development
16 Fund—

17 (A) such sums as are provided by sections
18 9(b)(4)(A)(iii), 9(b)(4)(B)(iii), 9(c)(4)(A)(iii),
19 and 9(c)(4)(B)(iii) of the Outer Continental
20 Shelf Lands Act, as amended by this Act;

21 (B)(i) during the period of October 1,
22 2006, through September 30, 2015, 0.4 percent
23 of all sums paid into the Treasury under sec-
24 tion 35 of the Mineral Leasing Act (30 U.S.C.
25 191), and



1 (ii) beginning October 1, 2015, and there-
2 after, 2.0 percent of all sums paid into the
3 Treasury under section 35 of the Mineral Leas-
4 ing Act (30 U.S.C. 191);

5 (C)(i) during the period of October 1,
6 2006, through September 30, 2015, 0.4 percent
7 of all sums paid into the Treasury from receipts
8 derived from bonus bids and royalties from
9 other mineral leasing on public lands, and

10 (ii) beginning October 1, 2015, and there-
11 after, 2.0 percent of all sums paid into the
12 Treasury from receipts derived from bonus bids
13 and royalties from other mineral leasing on
14 public lands;

15 (D) donations received under paragraph
16 (4);

17 (E) amounts referred to in section
18 2325(d)(1) of the Revised Statutes, as amended
19 by this Act; and

20 (F) funds received under section 10 of the
21 Energy and Mineral Schools Reinvestment Act,
22 as amended by this Act.

23 (3) INVESTMENTS.—The Secretary of the
24 Treasury shall invest the amounts deposited under
25 paragraph (2) and all accrued interest on the



1 amounts deposited under paragraph (2) only in in-
2 terest bearing obligations of the United States or in
3 obligations guaranteed as to both principal and in-
4 terest by the United States.

5 (4) DONATIONS.—The Secretary of the Interior
6 may solicit and accept donations of funds for deposit
7 into the Professional Development Fund.

8 (5) AVAILABILITY TO SECRETARY OF THE IN-
9 TERIOR.—

10 (A) IN GENERAL.—Beginning with fiscal
11 year 2007, and in each fiscal year thereafter,
12 the amounts deposited into the Professional De-
13 velopment Fund, together with the interest
14 thereon, shall be available, without fiscal year
15 limitations, to the Secretary of the Interior for
16 use to carry out the Energy and Mineral
17 Schools Reinvestment Act.

18 (B) WITHDRAWALS AND TRANSFER OF
19 FUNDS.—The Secretary of the Treasury shall
20 withdraw such amounts from the Professional
21 Development Fund as the Secretary of the Inte-
22 rior may request and transfer such amounts to
23 the Secretary of the Interior to be used, at the
24 discretion of the Secretary to carry out the En-
25 ergy and Mineral Schools Reinvestment Act.



1 (b) MAINTENANCE AND RESTORATION OF EXISTING
2 AND HISTORIC PETROLEUM AND MINING ENGINEERING
3 PROGRAMS.—Public Law 98–409 (30 U.S.C. 1221 et
4 seq.) is amended to read as follows:

5 **“SEC. 1. SHORT TITLE.**

6 “This Act may be cited as the ‘Energy and Mineral
7 Schools Reinvestment Act’.

8 **“SEC. 2. POLICY.**

9 “It is the policy of the United States to maintain the
10 human capital needed to preserve and foster the economic,
11 energy, and mineral resources security of the United
12 States. The petroleum and mining engineering programs
13 and the applied geology and geophysics programs at State
14 chartered schools, universities, and institutions that
15 produce human capital are national assets and should be
16 assisted with Federal funds to ensure their continued
17 health and existence.

18 **“SEC. 3. MAINTAINING AND RESTORING HISTORIC AND EX-**
19 **ISTING PETROLEUM AND MINING ENGINEER-**
20 **ING EDUCATION PROGRAMS.**

21 “(a) Using the funds in the Federal Energy And Min-
22 eral Resources Professional Development Fund, the Sec-
23 retary of the Interior (in this Act referred to as the ‘Sec-
24 retary’) shall provide funds to each historic and existing
25 State-chartered recognized petroleum or mining school to



1 assist such schools, universities, and institutions in main-
2 taining programs in petroleum, mining, and mineral engi-
3 neering education and research. All funds shall be directed
4 only to these programs and shall be subject to the condi-
5 tions of this section. Such funds shall not be less than
6 35 percent of the annual outlay of funds under this Act.

7 “(b) In this Act the term ‘historic and existing State-
8 chartered recognized petroleum or mining school’ means
9 a school, university, or educational institution with the
10 presence of an engineering program meeting the specific
11 program criteria, established by the member societies of
12 ABET, Inc., for petroleum, mining, or mineral engineer-
13 ing and that is accredited on the date of enactment of
14 the Ocean State Options Act of 2005 by ABET, Inc.

15 “(c) It shall be the duty of each school, university,
16 or institution receiving funds under this section to provide
17 for the training of undergraduate and graduate petroleum,
18 mining, and mineral engineers through research, inves-
19 tigations, demonstrations, and experiments. All such work
20 shall be carried out in a manner that will enhance under-
21 graduate education.

22 “(d) Each school, university, or institution receiving
23 funds under this Act shall maintain the program for which
24 the funds are provided for 10 years after the date of the
25 first receipt of such funds take steps agreed to by the Sec-



1 retary, to increase the number of undergraduate students
2 enrolled in and completing the programs of study in petro-
3 leum, mining, and mineral engineering.

4 “(e) The research, investigation, demonstration, ex-
5 periment, and training authorized by this section may in-
6 clude development and production of conventional and
7 non-conventional fuel resources, the production of metallic
8 and non-metallic mineral resources, and the production of
9 stone, sand, and gravel. In all cases the work carried out
10 with funds made available under this Act shall include a
11 significant opportunity for participation by undergraduate
12 students.

13 “(f) Research funded by this Act related to energy
14 and mineral resource development and production may in-
15 clude studies of petroleum, mining, and mineral extraction
16 and immediately related beneficiation technology; mineral
17 economics, reclamation technology and practices for active
18 operations, and the development of re-mining systems and
19 technologies to facilitate reclamation that fosters the ulti-
20 mate recovery of resources at abandoned petroleum, min-
21 ing, and aggregate production sites.

22 “(g) Grants for basic science and engineering studies
23 and research shall not require additional participation by
24 funding partners. Grants for studies to demonstrate the
25 proof of concept for science and engineering or the dem-



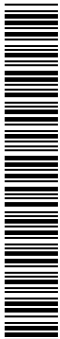
1 onstration of feasibility and implementation shall include
2 participation by industry and may include funding from
3 other Federal agencies.

4 “(h)(1) No funds made available under this section
5 shall be applied to the acquisition by purchase or lease
6 of any land or interests therein, or the rental, purchase,
7 construction, preservation, or repair of any building.

8 “(2) Funding made available under this section may
9 be used with the express approval of the Secretary for pro-
10 posals that will provide for maintaining or upgrading of
11 existing laboratories and laboratory equipment. Funding
12 for such maintenance shall not be used for university over-
13 head expenses.

14 “(3) Funding made available under this Act may be
15 used for maintaining and upgrading university-owned
16 mines and oil and gas drilling rigs used for undergraduate
17 and graduate training and mine safety training for the
18 industry. All requests for funding such mines and oil and
19 gas drilling rigs must demonstrate that they have been
20 owned by the university for 5 years prior to the date of
21 enactment of the Ocean State Options Act of 2005 and
22 have been actively used for instructional purposes during
23 that time.

24 “(4) Any funding made available under this section
25 for research, investigation, demonstration, experiment, or



1 training shall not be used for university overhead charges
2 in excess of 10 percent of the amount authorized by the
3 Secretary.

4 **“SEC. 4. FORMER PETROLEUM AND MINING ENGINEERING**
5 **PROGRAMS.**

6 “A school, university, or educational institution that
7 formerly met the requirements of section 3(b) of this Act
8 immediately before the date of the enactment of the Off-
9 shore State Options Act of 2004 shall be eligible for fund-
10 ing under this Act only if it—

11 “(1) establishes a petroleum, mining, or mineral
12 engineering program that meets the specific program
13 criteria and is accredited as such by ABET, Inc.;

14 “(2) agrees to the conditions of subsections (c),
15 (d), and (e) of section 3 and the Secretary, as ad-
16 vised by the Committee established by section 11,
17 determines that the program will strengthen and in-
18 crease the number of nationally available, well-
19 qualified faculty members in petroleum, mining, and
20 mineral engineering; and

21 “(3) agrees to maintain the accredited program
22 for 10 years after the date of the first receipt of
23 funds under this Act.



1 **“SEC. 5. FUNDING OF CONSORTIA OF HISTORIC AND EXIST-**
2 **ING SCHOOLS.**

3 “(a) Where appropriate, the Secretary may make
4 funds available to consortia of schools, universities, or in-
5 stitutions that include the historic and existing petroleum
6 and mining schools to meet the necessary expenses for
7 purposes of—

8 “(1) specific energy and mineral research
9 projects of broad application that could not other-
10 wise be undertaken, including the expenses of plan-
11 ning and coordinating regional petroleum, mining,
12 and mineral engineering projects by two or more
13 schools; and

14 “(2) research into any aspects of petroleum,
15 mining, or mineral engineering problems that are re-
16 lated to the mission of the Department of the Inte-
17 rior and that are considered by the Committee to be
18 desirable.

19 “(b) Each application for funds under subsection (a)
20 shall state, among other things, the nature of the project
21 to be undertaken; the period during which it will be pur-
22 sued; the qualifications of the personnel who will direct
23 and conduct it; the estimated costs; the importance of the
24 project to the Nation, region, or States concerned; its rela-
25 tion to other known research projects theretofore pursued
26 or being pursued; the extent to which the proposed project



1 will maximize the opportunity for the training of under-
2 graduate petroleum, mining, and mineral engineers; and
3 the extent of participation by nongovernmental sources in
4 the project.

5 “(c) No funds shall be made available under this sec-
6 tion except for a project approved by the Secretary. All
7 funds shall be made available upon the basis of merit of
8 the project, the need for the knowledge that it is expected
9 to produce when completed, and the opportunity it pro-
10 vides for the undergraduate training of individuals as pe-
11 troleum, mining, and mineral engineers.

12 **“SEC. 6. SUPPORT FOR SCHOOLS WITH ENERGY AND MIN-**
13 **ERAL RESOURCE PROGRAMS IN PETROLEUM**
14 **AND MINERAL EXPLORATION GEOLOGY, PE-**
15 **TROLEUM GEOPHYSICS, OR MINING GEO-**
16 **PHYSICS.**

17 “(a) Up to 20 percent of the annual outlay of funds
18 under this Act may be granted to schools, universities, and
19 institutions other than those described in sections 3, 4,
20 and 5.

21 “(b) The Secretary, as advised by the Committee es-
22 tablished by section 11, shall determine the eligibility of
23 a college or university to receive funding under this Act
24 using criteria that include—



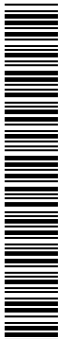
1 “(1) the presence of a substantial program of
2 undergraduate and graduate instruction and re-
3 search in petroleum geology, mineral exploration ge-
4 ology, economic geology, mining geology, petroleum
5 geophysics, mining geophysics, geological engineer-
6 ing, or geophysical engineering that has a dem-
7 onstrated history of achievement;

8 “(2) evidence of institutional commitment for
9 the purposes of this Act that includes a significant
10 opportunity for participation by undergraduate stu-
11 dents;

12 “(3) evidence that such school, university, or in-
13 stitution has or can obtain significant industrial co-
14 operation in activities within the scope of this Act;

15 “(4) agreement by the school, university, or in-
16 stitution to maintain the programs for which the
17 funding is sought for the 10-year period beginning
18 on the date the school, university, or institution first
19 receives such funds; and

20 “(5) requiring that such funding shall be for
21 the purposes set forth in subsections (e), (f), and (g)
22 of section 3 and subject to the conditions set forth
23 in section 3(h).



1 **“SEC. 7. DESIGNATION OF FUNDS FOR SCHOLARSHIPS AND**
2 **FELLOWSHIPS.**

3 “(a) The Committee shall recommend to the Sec-
4 retary the designation and utilization of not more than
5 30 percent of the annual outlay of funds under this Act
6 for the purpose of providing scholarships, graduate fellow-
7 ships, and postdoctoral fellowships.

8 “(b) In order to receive a scholarship or a graduate
9 fellowship, an individual student must be a lawful perma-
10 nent resident of the United States or a United States cit-
11 izen and must agree in writing to complete a course of
12 studies and receive a degree in petroleum, mining, or min-
13 eral engineering, petroleum geology, mining and economic
14 geology, petroleum and mining geophysics, or mineral eco-
15 nomics.

16 “(c) The regulations required by section 9 shall re-
17 quire that an individual, in order to retain a scholarship
18 or graduate fellowship, must continue in one of the course
19 of studies listed in subsection (b) of this section, must re-
20 main in good academic standing, as determined by the
21 school, institution, or university and must allow for rein-
22 statement of the scholarship or graduate fellowship by the
23 Secretary, upon the recommendation of the school or insti-
24 tution. Such regulations may also provide for recovery of
25 funds from an individual who fails to complete any of the
26 courses of study listed in subsection (b) of this section



1 after notice that such completion is a requirement of re-
2 ceipt funding under this Act.

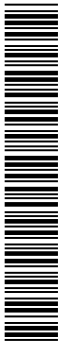
3 **“SEC. 8. FUNDING CRITERIA FOR INSTITUTIONS.**

4 “(a) Funds available under this Act shall be paid at
5 such times and in such amounts during each fiscal year
6 as determined by the Secretary, and upon vouchers ap-
7 proved by the Secretary. Each school, university, or insti-
8 tution that receives funds under this Act shall—

9 “(1) establish its plan to provide for the train-
10 ing of individuals as petroleum or mineral engineers
11 and scientists under a curriculum appropriate to the
12 field of mineral resources and mineral engineering
13 and related fields;

14 “(2) establish policies and procedures that as-
15 sure that Federal funds made available under this
16 Act for any fiscal year will supplement and, to the
17 extent practicable, increase the level of funds that
18 would, in the absence of such Federal funds, be
19 made available for purposes of this Act, and in no
20 case supplant such funds; and

21 “(3) have an officer appointed by its governing
22 authority who shall receive and account for all funds
23 paid under this Act and shall make an annual report
24 to the Secretary on or before the first day of Sep-
25 tember of each year, on work accomplished and the



1 status of projects underway, together with a detailed
2 statement of the amounts received under this Act
3 during the preceding fiscal year, and of its disburse-
4 ments on schedules prescribed by the Secretary.

5 “(b) If any of the funds received by the authorized
6 receiving officer of any institute under this Act are found
7 by the Secretary to have been improperly diminished, lost,
8 or misapplied, such funds shall be recovered by the Sec-
9 retary.

10 “(c) Schools, universities, and institutions receiving
11 funds under this Act are authorized and encouraged to
12 plan and conduct programs under this Act in cooperation
13 with each other and with such other agencies, business en-
14 terprises and individuals.

15 **“SEC. 9. DUTIES OF SECRETARY.**

16 “(a) The Secretary, acting through the Assistant Sec-
17 retary for Land and Minerals Management, shall admin-
18 ister this Act and, after full consultation with other inter-
19 ested Federal agencies, shall prescribe such rules and reg-
20 ulations as may be necessary to carry out its provisions
21 not later than 1 year after the enactment of the Ocean
22 State Options Act of 2005.

23 “(b) The Secretary shall furnish such advice and as-
24 sistance as will best promote the purposes of this Act,
25 shall participate in coordinating research initiated under

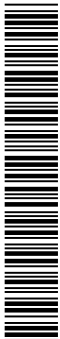


1 this Act, shall indicate to schools, universities, and institu-
2 tions receiving funds under this Act such lines of inquiry
3 that seem most important, and shall encourage and assist
4 in the establishment and maintenance of cooperation by
5 and between such schools, universities, and institutions
6 and between them and other research organizations, the
7 Department of the Interior, and other Federal agencies.

8 “(c) On or before the first day of July of each year
9 beginning after the date of enactment of this sentence,
10 schools, universities, and institutions receiving funds
11 under this Act shall certify compliance with this Act. An
12 individual granted a scholarship or fellowship with funds
13 provided under this Act, shall through their respective
14 school, university, or institution, advise the Secretary upon
15 completion of the course of studies and the awarding of
16 the degree within 30 days after the award. As needed the
17 Secretary shall ascertain whether the requirements of this
18 Act have been met by schools, universities, and institutions
19 and individuals.

20 **“SEC. 10. COORDINATION.**

21 “(a) Nothing in this Act shall be construed to impair
22 or modify the legal relationship existing between any of
23 the schools, universities, and institutions under whose di-
24 rection an institute is established with funds provided
25 under this Act and the government of the State in which



1 it is located. Nothing in this Act shall in any way be con-
2 strued to authorize Federal control or direction of edu-
3 cation at any school, university, or institution.

4 “(b) The programs authorized by this Act are in-
5 tended to enhance the Nation’s petroleum, mining, and
6 mineral engineering education programs and to enhance
7 educational programs in petroleum and mining exploration
8 and to increase the number of individuals enrolled in and
9 completing these programs. To achieve this intent, the
10 Secretary and the Committee established by section 11
11 shall receive the continuing advice and cooperation of all
12 agencies of the Federal Government concerned with the
13 identification, exploration, and development energy and
14 mineral resources.

15 “(c) Nothing in this Act is intended to give or shall
16 be construed as giving the Secretary any authority over
17 mining and mineral resources research conducted by any
18 agency of the Federal Government, or as repealing or di-
19 minishing existing authorities or responsibilities of any
20 agency of the Federal Government to plan and conduct,
21 contract for, or assist in research in its area of responsi-
22 bility and concern with regard to mining and mineral re-
23 sources.

24 “(d) The schools, universities, and institutions receiv-
25 ing funding under this Act shall generally make publicly



1 available the information and reports on projects com-
2 pleted, in progress, or planned with funds provided under
3 this Act. This information shall be made available on an
4 annual basis. All uses, products, processes, patents, and
5 other developments resulting from any research, dem-
6 onstration, or experiment funded in whole or in part under
7 this Act shall be made available promptly to the general
8 public, subject to exception or limitation, if any, as the
9 Secretary may find necessary in the public interest or na-
10 tional security. Schools, universities, and institutions re-
11 ceiving patents for inventions funded in whole or in part
12 under this Act shall be governed by the applicable Federal
13 law, except that one percent of gross revenues derived
14 from such patents shall be paid by the schools and the
15 institutions to the Federal Energy and Mineral Resources
16 Professional Development Fund established by section
17 6523(a) of the Ocean State Options Act of 2005.

18 **“SEC. 11. COMMITTEE ON PETROLEUM, MINING, AND MIN-**
19 **ERAL ENGINEERING AND ENERGY AND MIN-**
20 **ERAL RESOURCE EDUCATION.**

21 “(a) The Secretary shall appoint a Committee on Pe-
22 troleum, Mining, and Mineral Engineering and Energy
23 and Mineral Resource Education composed of—

24 “(1) the Assistant Secretary of the Interior re-
25 sponsible for land and minerals management, or a



1 delegate of such Assistant Secretary, and not more
2 than 16 other persons who are knowledgeable in the
3 fields of mining and mineral resources research, in-
4 cluding 2 university administrators one of whom
5 shall be from historic and existing petroleum and
6 mining schools; a community, technical, or tribal col-
7 lege administrator; a career technical education edu-
8 cator; 6 representatives equally distributed from the
9 petroleum, mining, and aggregate industries; a work-
10 ing miner; a working oilfield worker; a representative
11 of the Interstate Oil and Gas Compact Commission;
12 a representative from the Interstate Mining Compact
13 Commission; a representative from the Western Gov-
14 ernors Association; a representative of the State ge-
15 ologists, and a representative of a State mining and
16 reclamation agency. In making these 16 appoint-
17 ments, the Secretary shall consult with interested
18 groups.

19 “(2) The Assistant Secretary for Land and
20 Minerals Management, in the capacity of the Chair-
21 man of the Committee, may have present during
22 meetings of the Committee representatives of Fed-
23 eral agencies with responsibility for energy and min-
24 erals resources management, energy and mineral re-
25 source investigations, energy and mineral commodity

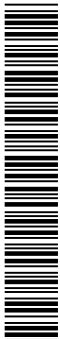


1 information, international trade in energy and min-
2 eral commodities, mining regulation and mine safety
3 research, and research into the development, produc-
4 tion, and utilization of energy and mineral commod-
5 ities.

6 “(b) The Committee shall consult with, and make rec-
7 ommendations to, the Secretary on all matters relating to
8 funding energy and mineral resources research and the
9 awarding and allocation of funding made under this Act.
10 The Secretary shall consult with, and consider rec-
11 ommendations of, such Committee in such matters.

12 “(c) Committee members, other than officers or em-
13 ployees of Federal, State, or local governments, shall be,
14 for each day (including traveltime) during which they are
15 performing Committee business, paid at a rate fixed by
16 the Secretary but not in excess of the daily equivalent of
17 the maximum rate of pay for level IV of the Executive
18 Schedule under section 5136 of title 5, United States
19 Code, and shall be fully reimbursed for travel, subsistence,
20 and related expenses.

21 “(d) The Committee shall be chaired by the Assistant
22 Secretary of the Interior responsible for land and minerals
23 management. There shall also be elected a Vice Chairman
24 by the Committee from among the members referred to
25 in this section. The Vice Chairman shall perform such du-



1 ties as are determined to be appropriate by the committee,
2 except that the Chairman of the Committee must person-
3 ally preside at all meetings of the full Committee.

4 “(e) Following completion of the report required by
5 section 385 of the Energy Policy Act of 2005, the Com-
6 mittee shall consider the recommendations of the report,
7 ongoing efforts in the schools, universities, and institu-
8 tions receiving funding under this Act, the Federal and
9 State Governments, and the private sector, and shall for-
10 mulate and recommend to the Secretary a national plan
11 for a program utilizing the fiscal resources provided under
12 this Act. The Committee shall submit such plan to the
13 Secretary for approval. Upon approval, the plan shall
14 guide the Secretary and the Committee in their actions
15 under this Act.

16 “(f) Section 10 of the Federal Advisory Committee
17 Act (5 U.S.C. App.) shall not apply to the Committee.

18 **“SEC. 12. CAREER TECHNICAL EDUCATION.**

19 “(a) Up to 15 percent of the annual outlay of funds
20 under this Act may be granted to schools or institutions
21 including, but not limited to, colleges, universities, commu-
22 nity colleges, tribal colleges, and technical institutes other
23 than those described in sections 3, 4, 5, and 6.

24 “(b) The Secretary, as advised by the Committee es-
25 tablished under section 11, shall determine the eligibility



1 of a school or institution to receive funding under this sec-
2 tion using criteria that include—

3 “(1) the presence of a substantial program of
4 training, including vocational education for individ-
5 uals seeking to enter the oil and gas, coal mining,
6 or mineral mining industries in a skilled technical
7 trade offered by the schools or institutions referred
8 to in subsection (a); or

9 “(2) the presence of a State-approved program
10 of career technical education at a secondary school,
11 offered cooperatively with a schools or institutions
12 referred to in subsection (a) in one of the industrial
13 sectors of—

14 “(A) agriculture, forestry, or fisheries;

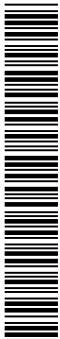
15 “(B) utilities;

16 “(C) construction;

17 “(D) manufacturing; and

18 “(E) transportation and warehousing.

19 “(c) Schools or institutions receiving funds under this
20 section must show evidence of an institutional commit-
21 ment for the purposes career technical education and pro-
22 vide evidence that the school or institution can obtain in-
23 dustrial cooperation in activities within the scope of this
24 Act.



1 “(d) Schools or institutions receiving funds under
2 this section must agree to maintain the programs for
3 which the funding is sought for a period of 10 years begin-
4 ning on the date the school or institution receives such
5 funds, unless the Secretary finds that a shorter period of
6 time is appropriate for the local labor market or is re-
7 quired by State authorities.”.

8 **SEC. 6524. ONSHORE AND OFFSHORE MINERAL LEASE**
9 **FEES.**

10 Notwithstanding any other provision of law, the De-
11 partment of the Interior is prohibited from charging fees
12 applicable to actions on Federal onshore and offshore oil
13 and gas, coal, geothermal, and other mineral leases, in-
14 cluding transportation of any production from such leases,
15 if such fees were not in existence on January 1, 2005.
16 Fees in existence on that date may be increased by the
17 amount of the increase in the Consumer Price Index since
18 the last date that the fees were set, but such an increase
19 shall only apply to a lease issued after the date of the
20 increase.

21 **SEC. 6525. ATLANTIC AND PACIFIC OCS REGION HEAD-**
22 **QUARTERS.**

23 Not later than January 1, 2008, the Secretary of the
24 Interior shall establish the headquarters for the Atlantic
25 OCS Region and the headquarters for the Pacific OCS



1 Region within a State bordering the Atlantic OCS Region
2 and a State bordering the Pacific OCS Region, respec-
3 tively, from among the States bordering those Regions,
4 that petitions by no later than July 1, 2007, for leasing
5 covering at least 40 percent of the area of its Adjacent
6 Zone within 100 miles of the coastline. Such headquarters
7 shall be located within 25 miles of the coastline and shall
8 be the permanent duty station for all Minerals Manage-
9 ment Service personnel that on a daily basis spend on av-
10 erage 60 percent or more of their time in performance of
11 duties in support of the activities of the respective Region,
12 except that the Minerals Management Service may house
13 regional inspection staff in other locations. The Atlantic
14 OCS Region and the Pacific OCS Region shall each be
15 led by a Regional Director who shall be an employee with-
16 in the Senior Executive Service.

17 **SEC. 6526. NATIONAL GEOLOGIC DATA AND MAPPING FUND**
18 **ACT OF 2005.**

19 (a) **SHORT TITLE.**—This section may be cited as the
20 “National Geologic Data and Mapping Fund Act of
21 2005”.

22 (b) **PURPOSES.**—The purpose of this section is to—
23 (1) establish a fund to provide funding for geo-
24 logic mapping and the preservation and use of geo-
25 logic data;



1 (2) make available receipts derived from sales,
2 bonus bids, and royalties from onshore and offshore
3 gas, minerals, oil, and any additional form of energy
4 exploration and development under the laws of the
5 United States for the purposes of the such fund;

6 (3) distribute funds from such fund each fiscal
7 year to the Secretary of the Interior and the States;
8 and

9 (4) use the distributed funds to secure the nec-
10 essary trained workforce, contractual services, and
11 other support, including maintenance and capital in-
12 vestments, to conduct geologic mapping and preserve
13 and make geologic data available for use.

14 (c) DEFINITIONS.—In this section:

15 (1) GEOLOGIC FUND.—The term “Geologic
16 Fund” means the National Geologic Data and Map-
17 ping Fund established by subsection (d).

18 (2) STATE.—The term “State” means the State
19 geological survey, the agency that acts as the State
20 geological survey, or any other State government
21 agency primarily responsible for geologic mapping or
22 geologic data preservation (or both) within a State.

23 (d) ESTABLISHMENT AND USE OF NATIONAL GEO-
24 LOGIC DATA AND MAPPING FUND.—



1 (1) GEOLOGIC FUND.—There is established in
2 the Treasury a separate account to be known as the
3 “National Geologic Data and Mapping Fund”.

4 (2) FUNDING.—The Secretary of the Treasury
5 shall deposit in the Enhancement Fund—

6 (A) such sums as are provided by sections
7 9(b)(4)(A)(iv), 9(b)(4)(B)(iv), 9(c)(4)(A)(iv),
8 and 9(c)(4)(B)(iv) of the Outer Continental
9 Shelf Lands Act, as amended by this Act;

10 (B)(i) during the period of October 1,
11 2006, through September 30, 2015, 0.1 percent
12 of all sums paid into the Treasury under sec-
13 tion 35 of the Mineral Leasing Act (30 U.S.C.
14 191), and

15 (ii) beginning October 1, 2015, and there-
16 after, 0.5 percent of all sums paid into the
17 Treasury under section 35 of the Mineral Leas-
18 ing Act (30 U.S.C. 191); and

19 (C)(i) during the period of October 1,
20 2006, through September 30, 2015, 0.1 percent
21 of all sums paid into the Treasury from receipts
22 derived from bonus bids and royalties from
23 other mineral leasing on public lands, and

24 (ii) beginning October 1, 2015, and there-
25 after, 0.5 percent of all sums paid into the



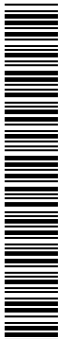
1 Treasury from receipts derived from bonus bids
2 and royalties from other mineral leasing on
3 public lands.

4 (3) INVESTMENTS.—The Secretary of the
5 Treasury shall invest the amounts deposited under
6 paragraph (2) and all accrued interest on the
7 amounts deposited under paragraph (2) only in in-
8 terest bearing obligations of the United States or in
9 obligations guaranteed as to both principal and in-
10 terest by the United States.

11 (4) AVAILABILITY TO SECRETARY OF THE IN-
12 TERIOR.—

13 (A) IN GENERAL.—Beginning with fiscal
14 year 2007, and in each fiscal year thereafter,
15 one-third of amounts deposited into the Geo-
16 logic Fund, together with the interest thereon,
17 shall be available, without fiscal year limita-
18 tions, to the Secretary of the Interior for use
19 for the purposes described in subsection (b)(4).

20 (B) WITHDRAWALS AND TRANSFER OF
21 FUNDS.—The Secretary of the Treasury shall
22 withdraw such amounts from the Geologic Fund
23 as the Secretary of the Interior may request,
24 subject to the limitation in subparagraph (A),
25 and transfer such amounts to the Secretary of



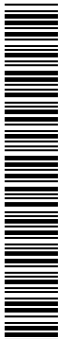
1 the Interior to be used, at the discretion of the
2 Secretary of the Interior, by the Minerals Man-
3 agement Service, the Bureau of Land Manage-
4 ment, and the United States Geological Survey
5 for the purposes described in subsection (b)(4).
6 No funds distributed from the Geologic Fund
7 may be used to purchase an interest in land.

8 (5) PAYMENT TO STATES.—

9 (A) IN GENERAL.—Beginning with fiscal
10 year 2007, and in each fiscal year thereafter,
11 two-thirds of amounts deposited into the Geo-
12 logic Fund, together with the interest thereon,
13 shall be available, without fiscal year limita-
14 tions, to the States for use for the purposes de-
15 scribed in subsection (b)(4).

16 (B) WITHDRAWALS AND TRANSFER OF
17 FUNDS.—Within the first 90 days of each fiscal
18 year, the Secretary of the Treasury shall with-
19 draw amounts from the Geologic Fund and
20 transfer such amounts to the States based on
21 a formula devised by the Secretary of the Inte-
22 rior based on the relative geologic mapping and
23 data preservation needs of the States.

24 (C) USE OF PAYMENTS BY STATES.—Each
25 State shall use the payments made under sub-



1 paragraph (B) only for carrying out projects
2 and programs for the purposes described in
3 subsection (b)(4). No funds distributed from
4 the Geologic Fund may be used to purchase an
5 interest in land.

6 (D) ENCOURAGEMENT OF USE OF PRIVATE
7 FUNDS BY STATES.—Each State shall use the
8 payments made under subparagraph (B) to le-
9 verage private funds for carrying out projects
10 for the purposes described in subsection (b)(4).

11 (e) REPORT TO CONGRESS.—Beginning in fiscal year
12 2008 and continuing for each fiscal year thereafter, the
13 Secretary of the Interior and each State receiving funds
14 from the Geologic Fund shall submit a report to the Com-
15 mittee on Energy and Natural Resources of the Senate
16 and the Committee on Resources of the House of Rep-
17 resentatives. Reports submitted to the Congress by the
18 Secretary of the Interior and the States shall include de-
19 tailed information regarding expenditures during the pre-
20 vious fiscal year.

21 **SEC. 6527. LEASES FOR AREAS LOCATED WITHIN 100 MILES**
22 **OF CALIFORNIA OR FLORIDA.**

23 (a) AUTHORIZATION TO CANCEL AND EXCHANGE
24 CERTAIN EXISTING OIL AND GAS LEASES; PROHIBITION



1 ON SUBMITTAL OF EXPLORATION PLANS FOR CERTAIN
2 LEASES PRIOR TO JUNE 30, 2012.—

3 (1) AUTHORITY.—Effective 180 days after the
4 date of enactment of this subtitle, the lessee of an
5 existing oil and gas lease for an area located com-
6 pletely within 100 miles of the coastline within the
7 California or Florida Adjacent Zones shall have the
8 option, without compensation, of exchanging such
9 lease for a new oil and gas lease having a primary
10 term of 5 years. For the area subject to the new
11 lease, the lessee may select any unleased tract at
12 least part of which is located within the area be-
13 tween 100 and 125 miles from the coastline, and
14 completely beyond 100 miles from the coastline,
15 within the same Adjacent State's Adjacent Zone as
16 the lease being exchanged.

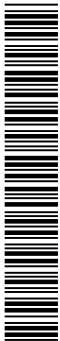
17 (2) ADMINISTRATIVE PROCESS.—The Secretary
18 of the Interior shall establish a reasonable adminis-
19 trative process through which a lessee may exercise
20 its option to exchange an oil and gas lease for a new
21 oil and gas lease as provided for in this section.
22 Such exchanges, including the issuance of new
23 leases, shall not be considered to be major Federal
24 actions for purposes of the National Environmental
25 Policy Act of 1969 (42 U.S.C. 4321 et seq.). Fur-



1 ther, such exchanges conducted in accordance with
2 this section are deemed to be in compliance all provi-
3 sions of the Outer Continental Shelf Lands Act (43
4 U.S.C. 1331 et seq.). The Secretary shall issue a
5 new lease in exchange for the lease being exchanged
6 notwithstanding that the area that will be subject to
7 the lease may be withdrawn from leasing under the
8 Outer Continental Shelf Lands Act or otherwise un-
9 available for leasing under the provisions of any
10 other law.

11 (3) OPERATING RESTRICTIONS.—A new lease
12 issued in exchange for an existing lease under this
13 section shall be subject to such national defense op-
14 erating restrictions on the OCS tract covered by the
15 new lease as may be applicable upon issuance.

16 (4) PRIORITY.—The Secretary shall give pri-
17 ority in the lease exchange process based on the
18 amount of the original bonus bid paid for the
19 issuance of each lease to be exchanged. The Sec-
20 retary shall allow leases covering partial tracts to be
21 exchanged for leases covering full tracts conditioned
22 upon payment of additional bonus bids on a per-acre
23 basis as determined by the average per acre of the
24 original bonus bid per acre for the partial tract
25 being exchanged.



1 (5) EXPLORATION PLANS.—Any exploration
2 plan submitted to the Secretary of the Interior after
3 the date of the enactment of this Act and before
4 July 1, 2012, for an oil and gas lease for an area
5 wholly within 100 miles of the coastline within the
6 California Adjacent Zone or Florida Adjacent Zone
7 shall not be treated as received by the Secretary
8 until the earlier of July 1, 2012, or the date on
9 which a petition by the Adjacent State for oil and
10 gas leasing covering the area within which is located
11 the area subject to the oil and gas lease was ap-
12 proved.

13 (b) FURTHER LEASE CANCELLATION AND EX-
14 CHANGE PROVISIONS.—

15 (1) CANCELLATION OF LEASE.—As part of the
16 lease exchange process under this section, the Sec-
17 retary shall cancel a lease that is exchanged under
18 this section.

19 (2) CONSENT OF LESSEES.—All lessees holding
20 an interest in a lease must consent to cancellation
21 of their leasehold interests in order for the lease to
22 be cancelled and exchanged under this section.

23 (3) WAIVER OF RIGHTS.—As a prerequisite to
24 the exchange of a lease under this section, the lessee



1 must waive any rights to bring any litigation against
2 the United States related to the transaction.

3 (4) PLUGGING AND ABANDONMENT.—The plug-
4 ging and abandonment requirements for any wells
5 located on any lease to be cancelled and exchanged
6 under this section must be complied with by the les-
7 sees prior to the cancellation and exchange.

8 (c) AREA PARTIALLY WITHIN 100 MILES OF FLOR-
9 IDA.—An existing oil and gas lease for an area located
10 partially within 100 miles of the coastline within the Flor-
11 ida Adjacent Zone may only be developed and produced
12 using wells drilled from well-head locations at least 100
13 miles from the coastline to any bottom-hole location on
14 the area of the lease.

15 (d) EXISTING OIL AND GAS LEASE DEFINED.—In
16 this section the term “existing oil and gas lease” means
17 an oil and gas lease in effect on the date of the enactment
18 of this Act.

19 **Subtitle F—Sale and Conveyance of** 20 **Federal Land**

21 **SEC. 6601. COLLECTION OF RECEIPTS FROM THE SALE OF** 22 **FEDERAL LANDS.**

23 (a) IN GENERAL.—Notwithstanding any other law,
24 the Secretary shall make the lands described in subsection

25 (b) available for immediate sale through a competitive sale



1 process at fair market value. Requirements under the Na-
2 tional Environmental Policy Act of 1969 (42 U.S.C. 4321
3 et seq.) shall not apply to the sale of lands under this
4 section.

5 (b) LANDS DESCRIBED.—The lands referred to in
6 subsection (a) are the following:

7 (1) Poplar Point (Transfer and Conveyance of
8 Properties in the District of Columbia, Map Number
9 869/80460, Dated July 2005, p. 28 of 28).

10 (2) U.S. Reservations 44, 45, 46, 47, 48 and
11 49 (Map Number 869/80460, Dated July 2005, p.
12 13 of 28).

13 (3) U.S. Reservation 251 (Map Number 869/
14 80460, Dated July 2005, p. 14 of 28).

15 (4) U.S. Reservation 8 (Map Number 869/
16 80460, Dated July 2005, p. 15 of 28).

17 (5) U.S. Reservation 17A (Map Number 869/
18 80460, Dated July 2005, p. 20 of 28).

19 (6) U.S. Reservation 484 (Map Number 869/
20 80460, Dated July 2005, p. 21 of 28).

21 (7) U.S. Reservation 721, 722 and 723 (Map
22 Number 869/80460, Dated July 2005, p. 25 of 28).

23 (8) Certain land adjacent to Robert F. Kennedy
24 Stadium Parking Lot (Transfer and Conveyance of



1 Properties in the District of Columbia, Map Number
2 869/80460, Dated July 2005, p. 26 of 28).

3 (9) United States Reservation 243, 244, 245,
4 and 247 (Transfer and Conveyance of Properties in
5 the District of Columbia, Map Number 869/80460,
6 Dated July 2005, p. 22 of 28).

7 The Secretary may retain from sale proceeds and spend
8 without further appropriation up to \$1,000,000 each year
9 to implement land sales under this subsection, including
10 hiring contractors and appraisers

11 (c) POPLAR POINT.—

12 (1) RETENTION OF FUNDS.—The Secretary
13 may retain \$10,000,000 from funds received from
14 the sale of land under subsection (b)(1) and spend
15 such funds without further appropriations for the
16 purposes of complying with subparagraph (2).

17 (2) CONTINUITY OF OPERATION.—Before the
18 sale and development of land referred to in subpara-
19 graph (b)(1), the Secretary shall ensure that the ex-
20 isting facilities and related properties (including nec-
21 essary easements and utilities related thereto) occu-
22 pied or otherwise used by the National Park Service
23 are either withheld from any sale and remain in op-
24 eration at its current location or will be relocated to
25 suitable replacement facilities along the Anacostia



1 River in the District of Columbia using funds made
2 available by subparagraph (c)(1).

3 (d) CONVEYANCE OF LANDS TO THE DISTRICT OF
4 COLUMBIA.—

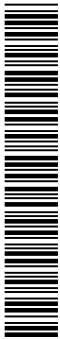
5 (1) IN GENERAL.—Notwithstanding any other
6 law, the Secretary shall immediately convey all right,
7 title, and interest of the United States in the lands
8 described in this subsection to the District of Colum-
9 bia upon enactment of this section. Requirements
10 under the National Environmental Policy Act (42
11 U.S.C. 4321 et seq.) shall not apply to the convey-
12 ance of lands under this subsection.

13 (2) LANDS DESCRIBED.—The lands referred to
14 in this subsection are as follows:

15 (A) United States Reservation 128, 129,
16 130, 298 and 299 (Transfer and Conveyance of
17 Properties in the District of Columbia, Map
18 Number 869/80460, Dated July 2005, p. 23 of
19 28).

20 (B) United States Reservation 174 (Map
21 Number 869/80460, Dated July 2005, p. 27 of
22 28).

23 (C) United States Reservation 277A and
24 277C (Map Number 869/80460, Dated July
25 2005, p. 16 of 28).



1 (D) United States Reservation 343D and
2 343E (Map Number 869/80460, Dated July
3 2005, p. 24 or 28).

4 (E) United States Reservation 404 (Map
5 Number 869/80460, Dated July 2005, p. 12 of
6 28).

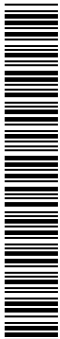
7 (F) United States Reservation 451 (Map
8 Number 869/80460, Dated July 2005, p. 11 of
9 28).

10 (G) United States Reservation 470 (Trans-
11 fer and Conveyance of Properties in the District
12 of Columbia, Map Number 869/80460, Dated
13 July 2005, p. 17 of 28).

14 (e) TRANSFER OF ADMINISTRATIVE JURISDICTION
15 OVER CERTAIN PROPERTIES.—

16 (1) IN GENERAL.—Upon the date of the enact-
17 ment of this subsection, administrative jurisdiction
18 over each of the following properties (owned by the
19 United States and as depicted on listed maps) is
20 hereby transferred from the District of Columbia to
21 the United States for administration by the Sec-
22 retary of the Interior through the Director of the
23 National Park Service:

24 (A) An unimproved portion of Audubon
25 Terrace Northwest, located east of Linnean Av-



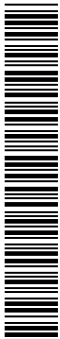
1 enue Northwest, that is within U.S. Reservation
2 402 (Audubon Terrace, NW, Transfer and Con-
3 veyance of Properties in the District of Colum-
4 bia, Map Number 869/80460, Dated July 2005,
5 p. 2 of 28) .

6 (B) An unimproved portion of Barnaby
7 Street Northwest, north of Aberfoyle Place
8 Northwest, that abuts U.S. Reservation 545
9 (Barnaby Avenue, NW, Map Number 869/
10 80460, Dated July 2005, p. 3 of 28).

11 (C) A portion of Canal Street Southwest,
12 and a portion of V Street Southwest, each
13 which abuts U.S. Reservation (Canal and V
14 Streets, SW, Map Number 869/80460, Dated
15 July 2005, p. 3 of 28).

16 (D) Unimproved streets and alleys at Fort
17 Circle Park located within the boundaries of
18 U.S. Reservation 497 (Fort Circle Park, Map
19 Number 869/80460, Dated July 2005, p. 5 of
20 28)''.

21 (E) An unimproved portion of Western Av-
22 enue Northwest, north of Oregon Avenue
23 Northwest, that abuts U.S. Reservation 339
24 (Western Avenue, NW, Map Number 869/
25 80460, Dated July 2005, p. 6 of 28).



1 (F) An unimproved portion of 17th Street
2 Northwest, south of Shepard Street Northwest,
3 that abuts U.S. Reservation 339 (17th Street,
4 NW, Map Number 869/80460, Dated July
5 2005, p. 7 of 28).

6 (G) An unimproved portion of 30th Street
7 Northwest, north of Broad Branch Road,
8 Northwest, that is within the boundaries of
9 U.S. Reservation 515 (30th Street, NW, Map
10 Number 869/80460, Dated July 2005, p. 8 of
11 28).

12 (H) Land over I-395 at Washington Ave-
13 nue, Southwest (Lands over I-395 at Wash-
14 ington Avenue, SW, Map Number 869/80460,
15 Dated July 2005, p. 9 of 28).

16 (I) A portion of U.S. Reservation 357 at
17 Whitehaven Parkway Northwest, previously
18 transferred to the District of Columbia in con-
19 junction with the former proposal for a resi-
20 dence for the Mayor of the District of Columbia
21 (Portion of U.S. Reservation 357, Transfer and
22 Conveyance of Properties in the District of Co-
23 lumbia, Map Number 869/80460, Dated July
24 2005, p. 10 of 28).



1 (2) USE OF CERTAIN PROPERTY FOR MEMO-
2 RIAL.—In the case of the property for which admin-
3 istrative jurisdiction is transferred under paragraph
4 (1)(H), the property shall be used as the site for the
5 establishment of a memorial to honor disabled vet-
6 erans of the United States Armed Forces authorized
7 to be established by the Disabled Veterans' LIFE
8 Memorial Foundation by Public Law 106–348 (114
9 Stat. 1358; 40 U.S.C. 8903 note), except that the
10 District of Columbia shall retain administrative ju-
11 risdiction over the subsurface area beneath the site
12 for tunnels, walls, footings, and related facilities.

